

Exhibit A

Agreement

Between

**DELPHI
CORPORATION**

and the

IEU-CWA

DELPHI

IEU-CWA
A FORCE FOR WORKING FAMILIES AFL-CIO

November 16, 2003

(Effective December 1, 2003)

membership. There shall be no solicitation of employees for union membership or dues during working time. Any employee who feels unjustly disciplined for violation of this provision may take the matter up through the Grievance Procedure and provisions under the Section regarding Disciplinary Layoffs and Discharges.

(7) It is the responsibility of the local Management of the Corporation to maintain discipline and efficiency in its plant and the right of the Management to hire, discipline and discharge employees for just cause and relieve employees from duty because of inefficiency or lack of work is expressly recognized, subject to the right of appeal through the Grievance Procedure herein. In addition, the products to be manufactured, the location of plants, the schedules of production, the methods, processes and means of manufacturing are solely and exclusively the responsibility of the Corporation.

REPRESENTATION

(8) The Union shall be represented in each unit as follows:

In the ratio of not to exceed one district committeeperson for each two hundred and fifty employees covered by this Agreement except that in plants of five hundred or less employees there may be three committeepersons; in plants of five hundred to one thousand employees there may be five committeepersons; in plants of one thousand to fifteen hundred there may be seven committeepersons. Any deviations from these rules to cover special conditions in any plant will be negotiated between the Corporation and the International Union.

District Committeepersons

(9) Each bargaining unit will be districted by agreement between the local Plant Management and the Shop Committee or appropriate bargaining committee so that insofar as practicable each district on each shift shall contain approximately two hundred and fifty employees. Each committeeperson shall have a definitely defined district. The members of the Union in each such district shall select a committeeperson who is working in that district to represent the employees in that district. An alternate district committeeperson in each district, whose duties shall be the same as those of the regular district committeeperson for that district while committeeperson is absent from the plant, may be selected by the members of the Union. The total number of employees receiving a regular payroll check for work performed (plus employees who did not receive a regular payroll check who are on an approved vacation or leave of absence pursuant to Paragraphs 87 and 92 - short term) during a week representative of normal operations, mutually selected by the Plant Management and Shop Committee, will be the number used for redistricting. Plants shall be redistricted not more frequently than at six-month intervals, upon request of either the Plant Management or Shop Committee, when there is a change in the number of employees equal to two hundred and fifty or five percent, whichever is greater. Thereafter, redistricting shall be accomplished within twenty working days of such request.

Shop Committees

(10) The Shop Committees in the plants covered hereby shall be as follows except in plants up to 5000 employees, the Union has the option of selecting plan A or plan B:

Employment In Plant		Number Districts in Plant	Shop Committee Consists of		
			District Com- mittee- persons	Shop Com- mittee- persons at Large	Total Shop Com- mittee- persons
Up to 500	Plan A	3	3	0	3
	Plan B	2	2	1	3
500 to 1000	Plan A	5	5	0	5
	Plan B	4	4	1	5
1000 to 1500	Plan A	7	7	0	7
	Plan B	6	6	1	7
1500 to 2500	Plan A	6 to 10	7	0	7
	Plan B	6 to 10	5	2	7
2500 to 3500	Plan A	10 to 14	5	2	7
	Plan B	10 to 14	4	3	7
3500 to 5000	Plan A	14 to 20	4	3	7
	Plan B	14 to 20	3	4	7
5000 to 7000		20 to 28	0	7	7
7001 to 9250		29 to 37	0	8	8
9251 to 10,500		38 to 42	0	9	9
10,501 to 11,750		43 to 47	0	10	10
11,751 and up		48 & over	0	11	11

(11) In plants in which one or more members of the Shop Committee is elected at large, one of such members shall be the Chairperson of the Shop Committee.

(12) Each member of the Shop Committee elected at large shall have a definitely defined zone as may be agreed upon between the Shop Committee or the appropriate bargaining committee and the Plant Management. Where the Chairperson of the Shop Committee is elected at large, the entire plant shall constitute the chairperson's zone. In the event a grievance arises in a district at a time when both the district committeeperson and the alternate are absent from the plant, the zone committeeperson for the zone in

which such district is located may be called from the job to handle such grievance, as provided in Paragraph (27). In the absence of the zone committeeperson, the Chairperson of the Shop Committee may be called.

(13) In the larger plants, by agreement between the Plant Management and Shop Committee, a subcommittee made up of not less than two nor more than six of the district committeepersons in a subdivision of the plant may be formed to meet with the representatives of Management in charge of such plant sub-division. A member of the Shop Committee for that zone may participate in such meeting. Grievances not settled by them may be referred to the Shop Committee as a whole for appeal to highest local Plant Management.

Meetings of Shop Committee

(14) Each plant shall have a regularly scheduled meeting between representatives of the local Management and the Shop Committee weekly, unless otherwise agreed between the local Management and the Shop Committee to extend the time between meetings, at a time to be mutually agreed upon between the Committee and the local Management. Emergency meetings will be arranged by mutual agreement.

Employment and Job Status of Committeepersons (District, Zone, and Chairpersons of Shop Committees)

(15) Committeepersons will be employed as full-time Union representatives during their scheduled working hours. They will function for the purpose of adjusting grievances in accordance with the Grievance Procedure and for other legitimate representation functions. Committeepersons will carry out their duties and functions in accordance with the chart set out below:

Purpose	District Committee-persons	Members of Shop Committee		
		Who are also District Committee-persons	Who are not District Committee persons	Chair persons of Shop Committees
Handle Grievances as provided in Par. (27) of Grievance Procedure	In their respective districts	In their respective districts	None	None
Handle Appealed Grievances with higher supervision as provided in Par. (27) of Grievance Procedure	According to agreed local practice			
Investigate Grievances Appealed to Shop Committee as provided in Par. (27) of Grievance Procedure	None	In any district	In any district (1)	In any district
Meetings with Management	None	On Meeting Days (4)		
Handle other legitimate representation functions (2)	In their respective districts	In their respective districts	In their respective zones (3)	In any district or zone

(1) As a general rule, such committeepersons will not be assigned to investigate appealed grievances in zones other than their own.

(2) Other legitimate representation functions are defined as normal in-plant activities pertaining to the administration of the National Agreement and written local agreements including, but not limited to, participation in joint programs such as health and safety programs, product quality initiatives, skill development activities, etc.; provided such activities do not interfere with the work of other employees, supervision or the efficiency of operations.

(3) Or in another zone when designated by the Chairperson if the regular Zone Committeeperson for that Zone is absent from the plant.

(4) Shop Committeepersons attending Management-Shop Committee meetings on shifts other than their regular shift will be paid for time spent in such meetings, with the understanding that their total hours paid for the day in question will not exceed their regularly scheduled shift hours for that day and such changes in shift hours for this purpose will not result in the payment of overtime premium (pursuant to Paragraph (52)(a)). It is further understood that the above will not result in any increase in representation being furnished as a result of the Zone Committeepersons not working a full shift on their regular shift.

(16) Individuals shall not be eligible to serve as a committeeperson unless they are employees and their names have been placed on the seniority list and they are working in the plant.

(17) It is mutually agreed that the prompt adjustment of grievances is desirable in the interest of sound relations between the employees and the Management.

(18) The prompt and fair disposition of grievances involves important and equal obligations and responsibilities, both joint and independent, on the part of representatives of each party to protect and preserve the grievance procedure as an orderly means of resolving legitimate grievances.

Committeepersons acting properly in their official capacity should be free from orders by supervision which, if carried out, would impair the orderly investigation and presentation of grievances. Actions which tend to impair or weaken the grievance procedure, whenever they occur or in whatever manner or form, are improper.

Committeepersons have a responsibility to the Union and the employees they represent to conduct themselves in a businesslike manner and shall conform to the shop rules. The normal standard of conduct applicable to all employees shall be applied to committeepersons.

(19) Upon entering a department in the fulfillment of their duties, the committeepersons shall notify the supervisor of that department of their presence and purpose or give the supervisor a copy of the written complaint.

(20) For the purposes of representation in handling grievances and performing other legitimate representation functions as provided herein,

committeepersons will be scheduled to report at the plant as follows:

(1) All regular hours up to eight that their district or zone is scheduled to operate, on their respective shifts.

(2) Other than regular hours (including overtime, part time or temporary layoffs, shutdown for model change, inventory or plant rearrangement) when ten (10) or more of the people they normally represent are working in their district or zone on their respective shift. Employees on continuous seven-day operations or operations staffed by rotating or alternating shifts will not be considered in applying this provision.

When district committeepersons who would be scheduled to report during overtime hours, as provided herein, advise Management in advance that they will be absent during such hours, Management will schedule the alternate committeepersons for those districts to report. If committeepersons have been scheduled to report and fail to inform Management that they will not be at work, management will not be responsible for calling the alternate committeeperson.

(20a) The shift starting and ending time for committeepersons will be the starting and ending time of the majority of the employees they represent. The provisions of this Representation Section do not require that committeepersons be called earlier than their regular starting times because some employees in their districts start work earlier than their starting times or give overtime when some employees in their districts start and quit later than their regular shift hours.

(20b) Any problem arising under or not covered by the above provisions shall be subject to local negotiations with the Plant Management, with the right of appeal under the Grievance Procedure.

(20c) In the event of a reduction in force:

Committeepersons (including Chairpersons of Shop Committees, Zone and District Committeepersons) shall be retained regardless of seniority as long as any employees whom they represent are retained at work in their district or zone.

Alternate committeepersons shall, at the point they would be subject to being removed from their respective district be retained on a job they can do that is operating in their district. If after complying with all of the terms of this Agreement, alternate committeepersons are laid-off, they will be the first to be recalled in their regular groups when work starts in those groups on their own jobs or on other jobs in their districts that they can do.

(21) Committeepersons shall enter and remain in the plant on their respective shifts unless otherwise agreed to by the Plant Management. They shall be paid at their regular rate for the time spent in the plant on their respective shifts as provided in this Representation Section.

(21a) Committeepersons shall establish a regular rate equal to their regular straight time hourly rate, as of the time they assumed their duties as Committeepersons.

This rate shall be adjusted in accordance with any adjustments made in the rate for the classification the Committeeperson then held.

When provisions of the Local Seniority Agreement entitle Committeepersons to return to their former groups on higher rated jobs, their rates will be adjusted in accordance with such provisions.

Committeepersons are eligible for promotion to higher rated jobs in their district or zone in accordance with Paragraph 33(a) or 33(b) provided they are the most senior applicant and they are capable of doing the job.

(21b) All Committeepersons shall ring in and out, or otherwise account for their time, in the manner required by the Local Management. Problems regarding the administration of this provision may be referred directly to the Chairman of the IUE-CWA Automotive Conference Board and the Delphi Labor Relations Staff for resolution.

(22) The President, the two members of the Local Supplemental Unemployment Benefit Committee, the member of the Local Pension Committee, the Local Insurance Representative(s), one Vice-President, the Local Union Benefit Representative, the Local Union Health and Safety Representative(s), the two Union Local Apprentice Committee members, the Local Quality Network Representative and the Local Union Employee Assistance Program Representative shall, at the point where they would be subject to layoff from the plant in a reduction in force, be retained at work in the plant regardless of their seniority, provided they can do a job that is operating. This will not apply in cases of temporary layoffs for model change, inventory, material shortages, machine breakdown, or for any other reason known at the time to be temporary.

(22a) While on leave of absence, no employee shall serve as a committeeperson.

(23) Committeepersons shall be governed by local plant rules regarding employees entering and leaving the plant. However, members of the Shop Committee and Local Union Presidents may leave the plant on union business when arrangements are made as far in advance as possible with the Plant Management by the President of the Local Union, Chairpersons of the Shop Committee or International Representative.

(23a) The Chairpersons of Shop Committees in plants employing 500 or more employees will be permitted to leave the plant in accordance with

Paragraph (23) and will be paid their regular rates for up to six hours per day Monday through Friday while they are out of the plant in the performance of legitimate representation functions during straight time hours when they would otherwise be entitled to be in the plant for representation purposes. They shall notify the designated Management representative, if available, when leaving and returning to the plant during working hours. The Chairpersons of Shop Committees in plants employing less than 500 employees will be permitted to leave the plant in accordance with the above and will be paid their regular rates for up to twenty (20) hours per week, which will be a reservoir available at the start of the week, to be drawn upon during the week Monday through Friday. Any single period of absence must be for a minimum of two (2) or a maximum of six (6) hours.

(24) The names of the committeepersons and alternate committeepersons in each district and the names of the committeepersons constituting the Shop Committee shall be given in writing to the local Management. No committeepersons shall function as such until the local Management has been advised of their selection, in writing, by the Local Union President, Chairperson of the Shop Committee, or the Chairman of the IUE-CWA Automotive Conference Board.

Any change in committeepersons shall be promptly reported to Management in writing. In the case of district committeepersons (who are not shop committeepersons) and alternate district committeepersons, the Union shall give notice at least two (2) working days prior to the effective date of the change unless changed by local negotiations.

(25) Executive Officers of the International Union, or their representatives, duly authorized to represent the International Union at Shop Committee meetings, or the

p President of the Local Union or an officer of a Local
y Union, having seniority in the plant, designated by the
e President, if not employed by the Corporation will be
n permitted to attend meetings between the Shop
r Committee and the Management of any plant. Where
e the President of the Local Union works in the plant and
, is not a committeeperson, the President may attend Shop
3 Committee meetings in that plant and will be paid the
s regular rate for time spent in such meetings for the hours
) that would otherwise have been worked in the plant.
e The Plant Manager or designated representative shall
r not be requested to meet with more than two such
f representatives, whose names must have been submitted
, previously to the Corporation and who must be prepared
, to show proper credentials. Written request must be
) given to Plant Management, by the Chairperson of the
Shop Committee, at least twenty-four (24) hours before
each meeting in all cases covered by this paragraph,
with the exception that prior notice will not be required
when the President of the Local Union desires to attend
such meetings.

(26) Any committeeperson having an individual grievance in connection with that committeeperson's own work may ask for a member of the Shop Committee to assist in adjusting the grievance with the supervisor.

GRIEVANCE PROCEDURE

(27) **Step 1.** Employees having a grievance in connection with their work may (1) see the supervisor and attempt to adjust the grievance, or (2) see the supervisor and request representation for the purpose of settling a specified grievance. The supervisor will send promptly for the committeeperson without further discussion of the grievance.

WORKING HOURS

(For the purpose of computing overtime premium pay)

(48) For the purposes of computing overtime premium pay, the regular working day is eight hours and the regular working week is forty hours.

(49) Employees will be compensated on the basis of the calendar day (midnight to midnight) on which their shift starts working, for the regular working hours of that shift. The employee's working week shall be a calendar week beginning on Monday at the regular starting time of the shift to which the employee is assigned.

(50) Hourly employees will be compensated as follows:

Straight Time

(51)(a) For the first eight hours worked in any continuous twenty-four hour period beginning with the starting time of the employee's shift.

(b) For the first forty hours worked in the employee's working week, less all time for which daily, Saturday, Sunday or holiday overtime has been earned.

(c) For time worked during the regular working hours of any shift which starts on the day before and continues into a specified holiday or a Saturday.

Time and One-Half

(52)(a) For time worked in excess of eight hours in any continuous twenty-four hours, beginning with the starting time of the employee's shift, except if such time is worked on a Sunday or holiday when double time will be paid as provided below.

(b) For time worked in excess of forty hours in the employee's working week, less all time for which daily, Saturday, Sunday or holiday overtime has been earned.

(c) For time worked on any shift which starts on Saturday.

Double Time

(53) For time worked during the first eight (8) hours worked on any shifts that start on Sundays and on each holiday specified in Paragraph (102); for time worked on the calendar Sunday or specified holiday in excess of the first eight (8) hours worked on any shift that starts on Sunday or one of the specified holidays; and for time worked on a Sunday or specified holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into Sunday or one of the specified holidays.

Exceptions to Above Overtime Payment

(54) Employees working in necessary continuous seven-day operations whose occupations involve work on Saturdays and Sundays shall be paid time and one-half for work on these days only for time worked in excess of eight (8) hours per day or in excess of forty hours in the employees' work week, for which overtime has not already been earned, except as otherwise provided in Paragraph (1) below:

(1) Such employees shall be paid time and one-half for hours worked on the employees' sixth work day in the week.

(2) Such employees shall be paid double time for hours worked on the 7th work day in the calendar week if the 7th work day results from the employees

being required to work on their scheduled off day(s) in that calendar week, or for hours worked on a Sunday if that Sunday is their second scheduled off day in that calendar week.

(3) Such employees will be paid double time and one-half (2.50 times straight time) for the first eight (8) hours worked on any shift that starts on any of the holidays listed in Paragraph (102); for time worked on the calendar holiday in excess of the first eight (8) hours worked on any shift that starts on any such holiday; and for time worked on the calendar holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into any such holiday; provided, however, that if the particular holiday falls on the employees' regularly scheduled off day(s) and they receive holiday pay pursuant to Paragraph (102c) of this Agreement, they will be paid double time instead of double time and one-half for such hours worked. In the case of employees who work 6 or 7 days during the work week, the first 8 hours worked at double time and one-half or double time, as the case may be, on shifts starting on such holidays shall be counted in computing overtime for work in excess of 40 hours in the employees' work week.

(4) Such employees will be paid time and one-quarter (1.25 times straight time) for hours worked on the 7th work day in the calendar week, unless such hours are payable at an overtime premium rate under any other provision of this Agreement.

(5) If such employees receive holiday pay pursuant to Paragraph (102c) for a particular holiday on which they do not work, that holiday will be counted as a day worked for the purpose of computing sixth or seventh day premium under sub-paragraphs (1), (2) and (4) above.

(6) Such employees shall be paid an additional

thirty cents (30¢) per hour for time worked, which shall be included in computing vacation entitlement pay, Independence Week Shutdown pay, holiday pay, bereavement pay, jury duty pay, short-term military duty pay, overtime and night shift premium.

Premium payments shall not be duplicated for the same hours worked under any of the terms of this Section.

Change in Shift Hours

(55) Any change in the established shift hours or lunch period shall be first discussed with the Shop Committee as far in advance as possible of any such change. Complaints of repeated violations of this paragraph will be handled under the provisions of Paragraph 1(a) of the National Agreement. For the purposes of this Special Procedure only, prior to being referred from the plant, the problem will be discussed between the Shop Committee, the Plant Manager and the Plant Personnel Director.

Night Shift Premiums

(56) Except as otherwise provided a night shift premium on night shift earnings, including overtime premium pay, will be paid to an employee for all time worked on a shift scheduled to start in accordance with the following chart:

Schedule Shift Starting Time	Amount of Regular Shift Premium	Amount of Conditional Shift Premium
(1) On or after 11:00 a.m. and before 7:00 p.m.	Five percent	Ten percent for all hours worked after 12 midnight when such employee is scheduled to work more than nine (9) hours and until or beyond 2:00 a.m.
(2) On or after 7:00 p.m. and on or before 4:45 a.m.	Ten percent	
(3) After 4:45 a.m. and before 6:00 a.m.	Ten percent until 7:00 a.m.	
(4) On or after 6:00 a.m. and before 11:00 a.m.	None	Five percent for all hours worked in excess of eight (8) provided such employee is scheduled to work twelve (12) or more hours.

In applying the above night shift premium provisions, an employee shall be paid the premium rate, if any, which attaches to the shift the employee works on a particular day.

Special Three-Shift Operations

(56a) This paragraph is not intended to change any present practice, or preclude the readoption of a prior practice, whereby it is possible to schedule certain operations on a three-shift, eight-hours of work per shift basis with special provisions for lunch. Where it is not possible or practicable on three-shift operations to establish schedules of 8 hours of work each shift, work shifts will be established on the basis of arrangements for a lunch period not in excess of 20 minutes being provided during the shift period without loss of pay.

The above provisions shall not preclude necessary temporary variations in schedules.

The above provisions shall not be applicable in any plant located in a state wherein a statute or administrative ruling requires the granting or establishment of lunch or meal periods of more than 20 minutes.

UNION BULLETIN BOARDS

(57) The plants covered by this Agreement will erect bulletin boards which may be used by the Union for posting notices approved by the local managements and restricted to:

(a) Notices of Union recreational and social affairs,

(b) Notices of Union elections,

(c) Notices of Union appointments and results of Union elections,

(d) Notices of Union meetings,

(e) Other notices concerning bona fide Union activities such as Cooperatives, Credit Unions, and Unemployment Compensation information.

(f) Other notices concerning Union affairs that are not political or controversial in nature.

(58) The number, location and size of such bulletin boards in each bargaining unit under this Agreement shall be decided by the Local Management and the Shop Committee.

(58a) There shall be no other posting by employees, of pamphlets, advertising or political matter, notices, or any kind of literature upon Corporation property other than as herein provided.

WAGES

(61) New employees hired on or after the effective date of this Agreement, who do not hold a seniority date in any Delphi Corporation plant and are not covered by the provisions of Paragraph (61b) below, shall be hired at a rate equal to seventy (70) percent of the maximum base rate of the job classification. Such employees shall receive an automatic increase to:

(1) seventy-five (75) percent of the maximum base rate of the job classification at the expiration of twenty-six (26) weeks.

(2) eighty (80) percent of the maximum base rate of the job classification at the expiration of fifty-two (52) weeks.

(3) eighty-five (85) percent of the maximum base rate of the job classification at the expiration of seventy-eight (78) weeks.

(4) ninety (90) percent of the maximum base rate of the job classification at the expiration of one hundred and four (104) weeks.

(5) ninety-five (95) percent of the maximum base rate of the job classification at the expiration of one hundred and thirty (130) weeks.

(6) the maximum base rate of the job classification at the expiration of one hundred and fifty-six (156) weeks.

Such an employee who is laid-off prior to acquiring seniority and who is re-employed at that plant within one year from the last day worked prior to layoff shall receive a rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff. Upon such re-employment, the credited rate

progression period of an employee's prior period of employment at that plant shall be applied toward the employee's rate progression to the maximum base rate of the job classification.

For the purpose of applying the provisions of this Paragraph (61), (61a), and (61b) only, an employee will receive one weeks credit toward acquiring the maximum base rate of the job classification provided the employee had worked in that given week. Credit will not be given for any pay period during which for any reason, the employee does not work except as provided in Paragraph (91), Paragraph (101u) and Paragraph (102) when the Christmas Holidays consist of a full week and the Independence Week Shutdown, provided the employee would otherwise have been scheduled to work. Notwithstanding other provisions of this Agreement, full weeks of time lost for vacation during the Plant Vacation Shutdown Week, bereavement, military duty and Family Medical Leave Act, if the employee would otherwise have been scheduled to work, will be considered as time worked. Each increase shall be effective at the beginning of the first pay period following the completion of the required number of weeks of employment.

(61a) A seniority employee laid-off from any Delphi Corporation plant who is hired in a job classification other than skilled trades in a plant covered by this Agreement, shall receive a base rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff from the employee's former Delphi Corporation plant. Such employee shall continue to be covered by the rate progression provisions in effect during the employee's prior Delphi Corporation employment. Upon such re-employment, the credited rate progression period of the employee's prior period of employment at the

employee's former Delphi Corporation plant shall be applied toward the employee's rate progression to the maximum base rate of the job classification.

(61b) New employees hired on or after the effective date of this Agreement, who do not hold a seniority date in any Delphi Corporation plant but were formerly employed and had acquired seniority in Delphi Corporation plant and who had broken such seniority pursuant to the provisions of Paragraph (34)(e) or (34)(f)(3), shall receive a base rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee in the employee's prior Delphi Corporation employment. Such employee shall continue to be covered by the rate progression provisions in effect during the employee's prior Delphi Corporation employment. Upon such re-employment, the credited rate progression period of the employee's prior period of employment at Delphi Corporation shall be applied toward the employee's rate progression to the maximum base rate of the job classification.

(61c) The foregoing Paragraphs (61), (61a) and (61b) shall not apply to skilled trades job classifications.

(61d) A seniority employee laid-off from a Delphi Corporation plant and hired in a plant covered by this Agreement for the same skilled trades work the employee had performed in the plant from which the employee was laid-off shall be hired at the rate the employee was receiving for such work at that plant, provided, however, that the employee's hiring rate shall not be higher than the established maximum rate for the job classification at the hiring plant.

(62) It is understood that local wage agreements consist of the wage scales by job classification as have been submitted to the Shop Committee and any negotiated local wage agreements or additions thereto.

On and after May 28, 1955, any changes, additions or supplements thereto are subject to the approval of the Delphi Labor Relations Staff and the International Union.

(63) When new jobs are placed in production and cannot be properly placed in existing classifications by mutual agreement, Management will set up a new classification and a rate covering the job in question, and will designate it as temporary.

(63a) The temporary rate for such job and a copy of the temporary rate and classification name will be furnished to the Shop Committee.

(64) As soon as possible after machinery and other equipment have been installed, and, in any event, within 30 calendar days after a production employee has been placed on the job, the Shop Committee and Management shall negotiate the rate and classification, and when negotiations are completed, such classification and rate shall become a part of the local wage agreement, and the negotiated rate, if higher than the temporary rate shall be applied retroactively to the date the production employee started on the job.

(65a) General Increases. Effective September 19, 2005 each employee covered by this agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost of living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

Straight Time Hourly Wage Rates		Wage Increases
Less than 13.08	25¢
13.08 - 13.24	26¢
13.25 - 13.74	27¢

<u>13.75 - 14.24</u>	<u>28¢</u>
<u>14.25 - 14.74</u>	<u>29¢</u>
<u>14.75 - 15.24</u>	<u>30¢</u>
<u>15.25 - 15.74</u>	<u>31¢</u>
<u>15.75 - 16.24</u>	<u>32¢</u>
<u>16.25 - 16.74</u>	<u>33¢</u>
<u>16.75 - 17.24</u>	<u>34¢</u>
<u>17.25 - 17.74</u>	<u>35¢</u>
<u>17.75 - 18.24</u>	<u>36¢</u>
<u>18.25 - 18.74</u>	<u>37¢</u>
<u>18.75 - 19.24</u>	<u>38¢</u>
<u>19.25 - 19.74</u>	<u>39¢</u>
<u>19.75 - 20.24</u>	<u>40¢</u>
<u>20.25 - 20.74</u>	<u>41¢</u>
<u>20.75 - 21.24</u>	<u>42¢</u>
<u>21.25 - 21.74</u>	<u>43¢</u>
<u>21.75 - 22.24</u>	<u>44¢</u>
<u>22.25 - 22.74</u>	<u>45¢</u>
<u>22.75 - 23.24</u>	<u>46¢</u>
<u>23.25 - 23.74</u>	<u>47¢</u>
<u>23.75 - 24.24</u>	<u>48¢</u>
<u>24.25 - 24.74</u>	<u>49¢</u>
<u>24.75 - 25.24</u>	<u>50¢</u>
<u>25.25 - 25.74</u>	<u>51¢</u>
<u>25.75 - 26.24</u>	<u>52¢</u>
<u>26.25 - 26.74</u>	<u>53¢</u>
<u>26.75 - 27.24</u>	<u>54¢</u>
<u>27.25 - 27.74</u>	<u>55¢</u>
<u>27.75 - 28.24</u>	<u>56¢</u>
<u>28.25 - 28.74</u>	<u>57¢</u>
<u>28.75 - 29.24</u>	<u>58¢</u>
<u>29.25 - 29.74</u>	<u>59¢</u>
<u>29.75 - 30.24</u>	<u>60¢</u>
<u>30.25 - 30.74</u>	<u>61¢</u>
<u>30.75 - 31.24</u>	<u>62¢</u>
<u>31.25 - 31.74</u>	<u>63¢</u>
<u>31.75 - 32.24</u>	<u>64¢</u>
<u>32.25 - 32.74</u>	<u>65¢</u>

<u>32.75 - 33.24</u>	<u>66¢</u>
<u>33.25 - 33.74</u>	<u>67¢</u>
<u>33.75 - 34.24</u>	<u>68¢</u>
<u>34.25 - 34.74</u>	<u>69¢</u>
<u>34.75 - 35.24</u>	<u>70¢</u>
<u>35.25 - 35.74</u>	<u>71¢</u>

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

(65b) Effective September 18, 2006 each employee covered by this agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost-of-living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

Straight Time	
Hourly	Improvement
Wage Rate	Factor Increase
<u>Less than - 13.34</u>	<u>39¢</u>
<u>13.34 - 13.49</u>	<u>40¢</u>
<u>13.50 - 13.83</u>	<u>41¢</u>
<u>13.84 - 14.16</u>	<u>42¢</u>
<u>14.17 - 14.49</u>	<u>43¢</u>
<u>14.50 - 14.83</u>	<u>44¢</u>
<u>14.84 - 15.16</u>	<u>45¢</u>
<u>15.17 - 15.49</u>	<u>46¢</u>
<u>15.50 - 15.83</u>	<u>47¢</u>
<u>15.84 - 16.16</u>	<u>48¢</u>
<u>16.17 - 16.49</u>	<u>49¢</u>
<u>16.50 - 16.83</u>	<u>50¢</u>
<u>16.84 - 17.16</u>	<u>51¢</u>
<u>17.17 - 17.49</u>	<u>52¢</u>
<u>17.50 - 17.83</u>	<u>53¢</u>
<u>17.84 - 18.16</u>	<u>54¢</u>

<u>18.17 - 18.49</u>	<u>55¢</u>
<u>18.50 - 18.83</u>	<u>56¢</u>
<u>18.84 - 19.16</u>	<u>57¢</u>
<u>19.17 - 19.49</u>	<u>58¢</u>
<u>19.50 - 19.83</u>	<u>59¢</u>
<u>19.84 - 20.16</u>	<u>60¢</u>
<u>20.17 - 20.49</u>	<u>61¢</u>
<u>20.50 - 20.83</u>	<u>62¢</u>
<u>20.84 - 21.16</u>	<u>63¢</u>
<u>21.17 - 21.49</u>	<u>64¢</u>
<u>21.50 - 21.83</u>	<u>65¢</u>
<u>21.84 - 22.16</u>	<u>66¢</u>
<u>22.17 - 22.49</u>	<u>67¢</u>
<u>22.50 - 22.83</u>	<u>68¢</u>
<u>22.84 - 23.16</u>	<u>69¢</u>
<u>23.17 - 23.49</u>	<u>70¢</u>
<u>23.50 - 23.83</u>	<u>71¢</u>
<u>23.84 - 24.16</u>	<u>72¢</u>
<u>24.17 - 24.49</u>	<u>73¢</u>
<u>24.50 - 24.83</u>	<u>74¢</u>
<u>24.84 - 25.16</u>	<u>75¢</u>
<u>25.17 - 25.49</u>	<u>76¢</u>
<u>25.50 - 25.83</u>	<u>77¢</u>
<u>25.84 - 26.16</u>	<u>78¢</u>
<u>26.17 - 26.49</u>	<u>79¢</u>
<u>26.50 - 26.83</u>	<u>80¢</u>
<u>26.84 - 27.16</u>	<u>81¢</u>
<u>27.17 - 27.49</u>	<u>82¢</u>
<u>27.50 - 27.83</u>	<u>83¢</u>
<u>27.84 - 28.16</u>	<u>84¢</u>
<u>28.17 - 28.49</u>	<u>85¢</u>
<u>28.50 - 28.83</u>	<u>86¢</u>
<u>28.84 - 29.16</u>	<u>87¢</u>
<u>29.17 - 29.49</u>	<u>88¢</u>
<u>29.50 - 29.83</u>	<u>89¢</u>
<u>29.84 - 30.16</u>	<u>90¢</u>
<u>30.17 - 30.49</u>	<u>91¢</u>
<u>30.50 - 30.83</u>	<u>92¢</u>

30.84 - 31.16	93¢
31.17 - 31.49	94¢
31.50 - 31.83	95¢
31.84 - 32.16	96¢
32.17 - 32.49	97¢
32.50 - 32.83	98¢
32.84 - 33.16	99¢
33.17 - 33.49	1.00
33.50 - 33.83	1.01
33.84 - 34.16	1.02
34.17 - 34.49	1.03
34.50 - 34.83	1.04
34.84 - 35.16	1.05
35.17 - 35.49	1.06
35.50 - 35.83	1.07
35.84 - 36.16	1.08
36.17 - 36.49	1.09

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

Tool Allowance

(65b) (1) Effective September 15, 2003, each employee in a skilled trades job classification which qualifies for journeyman/woman status under the provisions of Paragraph (84) of this Agreement shall receive a tool allowance adjustment of thirty cents (30¢) per hour added to the base rate, except each employee in a "Skilled" Apprentice job classification shall receive that wage increase, if any, which is applicable in accordance with the provisions of the Apprentice Rate Schedule referenced in Paragraph (69) of the Agreement.

Performance Bonus Payments

(65b) (2) The Performance Bonus provided herein recognizes that a continuing improvement in the standard of living of employees depends upon technological progress, better tools, methods, processes and equipment, and a cooperative attitude on the part of all parties in such progress. It further recognizes the principle that to produce more with the same amount of human effort is a sound economic and social objective. Accordingly, a Performance Bonus payment will be made to each eligible employee in accordance with the following table:

<u>Eligibility Date</u>	<u>Amount</u>	<u>Payable During Week Ending</u>
<u>September 20, 2004</u>	<u>Three percent (3%) of Qualified Earnings</u>	<u>October 17, 2004</u>

An employee shall become eligible for a Performance Bonus payment as hereinafter defined, provided an employee has seniority as of the designated eligibility date set forth above.

An employee's Performance Bonus will be based on the qualified earnings during the 52 consecutive pay periods immediately preceding the pay period in which each designated eligibility date falls.

Qualified Earnings, as used herein, are defined as income received by an eligible employee from Delphi Corporation during each designated Performance Bonus eligibility year resulting from the following:

Hourly Base Wages*
COLA*
Shift Premium*
Vacation Entitlement
Holiday Pay
Independence Week Shutdown Pay

Seven-Day Operator Premium

Bereavement Pay

Jury Duty Pay

Apprentice Pay

Call-In Pay

Short Term Military Duty Pay

Back pay awards related to the designated
eligibility year.

*
— Including overtime, Saturday, Sunday, and
Holiday premium payments

(65b) (3) An employee who retires during the
Performance Bonus eligibility year provided in (65b)(2)
and who, but for such retirement, would have had
seniority as of the designated eligibility date, shall
qualify for the Performance Bonus as defined in
(65b)(2).

(65b) (4) In the case of employees who die during
the Performance Bonus eligibility year, a Performance
Bonus shall become payable as if they were seniority
employees on the designated eligibility date and
calculated based on their Qualified Earnings during the
eligibility year as defined in (65b)(2) above. Such
Performance Bonus shall be paid to their duly appointed
legal representatives, if there be one, and, if not, to the
spouses, parents, children or other relatives or
dependents of such persons as the Corporation in its
discretion may determine.

(65c) The increases in base rates provided for in
Paragraphs (65a) and (65b) shall be added to the wage
rates (minimum, intermediary and maximum) for each
classification.

Cost of Living Allowance

(65d) Each employee covered by this Agreement
shall receive a Cost of Living Allowance in accordance
with the provisions of Paragraphs (65g) and (65h).
Employees hired under Local Competitive Wage

Agreements will continue to receive Cost of Living Allowance Adjustments as specified in their Local Competitive Wage Agreements. It is agreed that only the Cost of Living Allowance will be subject to reduction so that, if a sufficient decline in the cost of living occurs, employees will immediately enjoy a better standard of living.

(65e) The Cost of Living Allowance provided for in Paragraph (65d) shall be added to each employee's hourly earned rate and will be adjusted up or down as provided in Paragraphs (65g) and (65h).

(65f) The Cost of Living Allowance will be determined in accordance with changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (current series), (CPI-W) (for all items, less medical care, not seasonally adjusted) (United States City Average) published by the Bureau of Labor Statistics. (1982 - 1984 = 100)

(65g) Effective with the date of this Agreement, \$2.00 shall be deducted from the \$2.05 Cost of Living Allowance in effect immediately prior to that date and \$2.00 shall be added to the base wage rates (minimum, intermediary and maximum) for each classification in effect on that date for pay calculation purposes. Thereafter, during the period of this Agreement, adjustments in the Cost of Living Allowance shall be made at the following times:

**Effective Date
of Adjustment:**

**Based
Upon Three-
Month Average of
the Consumer Price
Index For:**

December 1, 2003

August, September,
October, 2003

First pay period
beginning on or after:
March 1, 2004 and at
three calendar month
intervals thereafter
to June 4, 2007.

November, December
2003 and January, 2004
and at three-calendar
month intervals
thereafter to February,
March, April, 2007.

In determining the three-month average of the Indexes for a specified period, the computed average shall be rounded to the nearest 0.01 Index Point.

In no event will a decline in the three-month average Consumer Price Index below 174.12 provide the basis for a reduction in the wage scale by job classification.

(65h) The amount of the Cost of Living Allowance shall be five cents (5¢) per hour effective with the effective date of this Agreement and ending November 30, 2003. Effective December 1, 2003 and for any period thereafter as provided in Paragraphs (65d) and (65g) the Cost of Living Allowance shall be in accordance with the following table:

Three-Month Average Consumer Price Index	Cost of Living Allowance
<u>174.12 - or less</u>	NONE
<u>174.13 - 174.20</u>	1¢ per hour
<u>174.21 - 174.28</u>	2¢ per hour
<u>174.29 - 174.36</u>	3¢ per hour
<u>174.37 - 174.44</u>	4¢ per hour
<u>174.45 - 174.53</u>	5¢ per hour
<u>174.54 - 174.61</u>	6¢ per hour
<u>174.62 - 174.69</u>	7¢ per hour

174.70 - 174.778¢ per hour
174.78 - 174.859¢ per hour

And so forth, in accordance with the Letter of Understanding signed by the parties.

For each adjustment during the fifteen three-month periods beginning December 1, 2003, and ending on June 3, 2007, in which an increase in the Cost of Living Allowance shall be required according to the above table, the amount of increase so required each three month period shall be reduced by two cents (2¢), or by the amount of the increase, whichever is less.

Following the adjustment for the three-month period beginning June 4, 2007, the sum reduced during the fifteen periods shall be subtracted from the Cost of Living Allowance table, and the table shall be adjusted so that the actual three-month Average Consumer Price Index equates to the allowance payable during the period beginning June 4, 2007.

(65i) The amount of any Cost of Living Allowance in effect at the time shall be included in computing overtime premium, night shift premium, vacation entitlement, holiday payments, call-in pay, bereavement pay, jury duty pay, Independence Week Shutdown pay, and short term military duty pay.

(65j) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in Paragraph (65g) any adjustments in the Cost of Living Allowance required by such appropriate Index shall be effective at the beginning of the first pay period after receipt of the Index.

(65k) No adjustments, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures used in the calculation of the

Consumer Price Index for any month or months specified in Paragraph (65g).

(65l) The parties to this Agreement agree that the continuance of the Cost of Living Allowance is dependent upon the availability of the monthly Consumer Price Index published by the Bureau of Labor Statistics in its present form and calculated on the same basis as the current Index unless otherwise agreed upon by the parties. If the Bureau of Labor Statistics changes the form or the basis of calculating the Consumer Price Index, the parties agree to request such agency to make available, for the life of this Agreement, a monthly Consumer Price Index in its present form and calculated on the same basis as the Index was prior to such change.

SKILLED TRADES

Apprentices

(66) Training of apprentices/upgraders will be governed by uniform apprentice/upgrader training programs, including the shop training and related training schedules as established by the Delphi Corporation- IUE-CWA Skilled Trades and Apprentice Committee. This committee is composed of three persons representing Delphi Corporation and three persons representing the International Union, IUE-CWA-AFL-CIO, which shall meet quarterly at a mutually agreed upon time.

(1) The duties of this Committee shall be:

(a) To review and revise the uniform shop training schedules and related training schedules when necessary. The present shop training schedules and related training schedules will remain in effect until replaced by revised schedules. If local plant requirements indicate deviations should be made in the

by the Upgrader in taking required related training, but not to exceed the hours specified in Paragraph (79)(a), shall be paid for at the employee's (Upgrader) straight-time hourly rate.

(d) The Corporation agrees to pay, on behalf of Upgraders covered by this Agreement, registration fees and/or tuition required in connection with related training under the Upgrader program, but not to exceed the hours of related training specified in Paragraph (79)(a).

(80) The foregoing will be used as a pattern for placing Upgraders in the skilled trades departments where there is a shortage of skilled help.

(81) For the purpose of identifying Upgraders, and to prevent an automatic movement into the journeyperson classifications, each classification into which an Upgrader is placed shall be designated, as for example:

Lathe Operator (Upgrader)

(82) Notwithstanding the provisions of Paragraph (104) mutually satisfactory local agreements deviating from the above Upgrading Sections may be negotiated by Local Shop Committees and Local Managements subject to the approval of the Corporation and the International Union.

(83) Upon becoming classified as a journeyperson, an employee shall receive a rate not less than the midpoint of the rate range for the employee's job classification except that such an employee shall receive the maximum rate of the employee's classification within three (3) months from the date on which the employee is so classified or acquires seniority, or in the case of a newly hired journeyperson, within three (3) months from the date on which the employee acquires

seniority and except that an employee classified as a journeyperson in one skilled trades classification and earning the maximum rate for that classification who is transferred to journeyperson status in a related skilled trades classification at that plant shall be paid the maximum rate for the related classification immediately upon transfer.

(84) The term "journeyperson" when used in this Agreement means an employee who: (a) has satisfactorily completed a bonafide apprentice training course with similar standards to the Delphi-IUE-CWA Apprentice Training Program; or, (b) has properly carried such journeyperson status in a Delphi Corporation plant; or (c) has been reclassified as a journeyperson in any particular plant covered by this Agreement under the terms of a local Agreement at that plant between the parties; or, (d) one, newly hired, who meets one of the above alternative requirements or has proof of working in the trade at least 8 years. Copies of any documents presented pursuant to this provision will be furnished to the Chairperson of the Shop Committee upon request.

(85a) The Chairperson of the Shop Committee may request the Labor Relations Supervisor to arrange a special conference to hear the skilled trades representative's views concerning problems in connection with work assignments of employees in skilled trades classifications and to discuss the matter. Such special conference will be attended by two committeepersons representing employees in skilled trades classifications, a representative of the section of the Management organization in charge of the skilled trades activity involved, and a representative of Labor Relations. In addition the Chairperson of the local Shop Committee and another representative of Management may attend the conference.

(85b) If the matter involves the appropriateness of the work assignment of employees in skilled trades classifications and is resolved, the settlement will be reduced to writing within seven (7) calendar days from the date of the settlement unless otherwise agreed to by the parties. If the matter is not resolved, the Local Union may reduce the matter to writing in a statement setting forth all the facts and circumstances surrounding the case and the position taken by the Union. The statement will be presented to Local Management within ten (10) working days of the special conference. Within five working days thereafter, Local Management will prepare and give to the Union a complete statement of the facts of the case and the reasons for the position taken. The Union may within 30 days of such delivery forward the Union's statement and the Management's statement to the Chairman of the IUE-CWA Automotive Conference Board.

(85c) If in its judgment the matter warrants appeal, the International Union may within 30 days of receipt of the statements, appeal the matter to the Delphi-IUE-CWA Skilled Trades and Apprentice Committee by written notice to the Vice President of Human Resource Management of the Corporation.

(85d) The Delphi-IUE-CWA Skilled Trades and Apprentice Committee shall attempt to resolve the matter. If they are unable to resolve the case within three months of the date of appeal to it or any mutual extension of said period, the case may be withdrawn without prejudice by the Union members or may be appealed to the Impartial Umpire for final and binding decision. Upon the submission of a case to the Umpire, the parties will make an effort to provide the Umpire with a jointly agreed upon set of specific criteria to guide the decision in each case.

(86a) Employees of an outside contractor will not be utilized in a plant covered by this Agreement to replace seniority employees on production assembly or manufacturing work, or fabrication of tools, dies, jigs and fixtures, normally and historically performed by them, when performance of such work involves the use of Corporation-owned machines, tools, or equipment maintained by Corporation employees.

(86b) The foregoing shall not affect the right of the Corporation to continue arrangements currently in effect; nor shall it limit the fulfillment of normal warranty obligations by vendors nor limit work which a vendor must perform to prove out equipment.

(86c) It is the policy of the Corporation to fully utilize its seniority employees in maintenance skilled trades classifications in the performance of maintenance and construction work, as set forth in its letter, dated April 3, 1982, (Appendix A) to the Union on this subject.

(86d) In all cases, except where time and circumstances prevent it, Local Management will hold advance discussion with and provide advance written notice to the Chairperson of the Shop Committee and the Shop Committeeperson or Shop Committeepersons whose zones include the maintenance activities, prior to letting a contract for the performance of maintenance and construction work. In this discussion Local Management is expected to review its plans or prospects for letting a particular contract. The written notice will describe the nature, scope and approximate dates of the work to be performed and the reasons (equipment, labor, etc.) why Management is contemplating contracting out the work. Further, this written notice will include the type and duration of warranty work. At such times Local Management representatives are expected to afford the Local Union representatives an opportunity to

comment on the Management's plans and to give appropriate weight to those comments in the light of all attendant circumstances. When Journeypersons diemaking, toolmaking or engineering employees (including machining or modelmaking) are on layoff or become laid-off as a result of the plant's subcontracting work normally performed by them, Local Management will, except where time and circumstances prevent it, hold such advance discussions of contracts for the performance of major die construction work or major tooling construction programs of the type normally performed by such employees.

(86e) In no event shall any seniority employee who customarily performs the work in question be laid-off as a direct and immediate result of work being performed by any outside contractor on the plant premises.

LEAVES OF ABSENCE

Informal Leave of Absence

(87) A leave of absence may be granted for personal reasons for a period not to exceed thirty days, upon application of the employee to and approval by the employee's supervisor. Such leaves of absence shall not be renewed and seniority will accumulate during the leave.

Formal Leave of Absence for Personal Reasons

(88) Employees requesting formal leave of absence shall first make application in writing to Management on the form provided. Such leave of absence will be granted to an employee for not more than ninety days on approval of the local Management when the services of the employee are not immediately required and there are employees available in the plant capable of doing the employee's work. A formal leave of absence may be

of material or services to operations in any other unit under this Agreement, will be considered an authorized strike in any such affected unit. The Union designates the Industrial Division of the Communications Workers of America, AFL-CIO, CLC, as its agent in connection with the execution of this Agreement and the performance of its terms and conditions.

VACATIONS

(101) The vacation entitlement provisions of this Section apply during the remainder of the term of this Agreement.

(101a) Effective January 1, 1994, the eligibility date for vacation entitlement for all seniority employees is December 31.

(101b) Each "eligibility year" shall begin with the first pay period following the pay period containing December 31 of the previous year and end with the pay period in which December 31 falls.

(101c) Employees shall become eligible for vacation entitlement as hereinafter defined, provided they have at least one year's seniority as of December 31 of the eligibility year and have worked during at least 13 pay periods during the eligibility year. Without modifying or adding to any other provision of the Vacation Section, an employee who has seniority but has not acquired one year's seniority as of December 31 shall nevertheless become eligible for a percentage of 40 hours of vacation entitlement pursuant to Paragraph (101h) and (101k).

(101d) In determining the number of pay periods an employee shall have worked in the eligibility year, the employee shall be credited with one pay period for each pay period in which the employee performs work in any Delphi Corporation plant during that year.

(101e) For the purpose of this Vacation Section only, a pay period during which an employee qualifies for pay pursuant to Paragraph (101i), Paragraphs (102) through

(102l)(b) for holidays falling within the Christmas Holiday Period, Paragraph (103), Paragraph (103a), Paragraph (103b), or the Independence Week shutdown shall be counted as a pay period worked.

A laid-off employee who receives pay for a designated holiday shall receive credit for the pay period in which the holiday falls as a pay period worked.

(101f) Employees whose seniority at a Delphi Corporation plant (base plant) is hereafter broken:

(1) pursuant to Paragraph (34)(d) because they elected to remain at the Delphi Corporation plant in which they are working, or

(2) pursuant to Paragraph (34)(e), shall have their vacation entitlement computed as though their seniority at the base plant had not been broken, provided, (1) they continuously hold seniority at a Delphi Corporation plant(s), or (2) they are hired at a Delphi Corporation plant before their seniority at a prior plant is broken and they acquire seniority at the plant where hired within the next six (6) continuous months, and thereafter continuously hold seniority at a Delphi Corporation plant(s).

(101g) An eligible employee who has worked at least 26 pay periods in the eligibility year shall be entitled to the following vacation entitlement:

For an Eligible Employee With Seniority of	Hours of Vacation Entitlement
Less than one year	40
One but less than three years	80
Three but less than five years	100
Five but less than ten years	120
Ten but less than fifteen years	140
Fifteen but less than twenty years	160
Twenty or more years	200

(101h) An eligible employee shall be entitled to a percentage of vacation entitlement shown in Paragraph (101g) based on the number of pay periods the employee works in the eligibility year, in accordance with the following:

Pay Periods Worked	Percentage of Hours of Vacation Entitlement
26	100%
25	96
24	92
23	88
22	84
21	80
20	76
19	73
18	69
17	65
16	61
15	57
14	53
13	50

(101i) An eligible employee who, at the time of the eligibility date, has not used the entire vacation entitlement provided for in Paragraph (101g) shall receive a payment in lieu of vacation time-off for the unused portion at the rate established in accordance with Paragraph (101j).

(101j) Vacation time-off payments will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, as of the employee's last day worked prior to the approved vacation time-off period for vacation with pay. Payment of the unused portion, if any, of vacation entitlement will be calculated on the basis of the employee's rate of pay plus the attached night shift premium but not including overtime premium, as of the last day worked

prior to the eligibility date or the last day worked prior to December 15 whichever produces the higher rate.

(101k) Payment of the unused portion, if any, of the employee's vacation entitlement, shall be made as soon as possible but not later than February 1st of the following year.

(101l) Eligible employees may use 40 hours of their vacation entitlement during the eligibility year provided their absence from work is for not less than four (4) continuous hours and is excused for illness (when not receiving Sickness and Accident benefits), or personal business, or a leave of absence for vacation purposes.

(101m) Employees who retire or are retired under the provisions of the Delphi Corporation Hourly Rate Employees Pension Plan shall receive prorated vacation entitlement up to the vacation entitlement to which the employee's seniority would have entitled them on December 31 of the current year as follows: in accordance with Paragraph (101h) provided the employee has worked at least 13 pay periods in the eligibility year in which they retire or one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (101g) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they retire.

(101n) Employees who are placed on or return from a Leave of Absence for Military Service pursuant to the provisions of Paragraph (95), shall receive vacation entitlement in accordance with Paragraph (101h) if the employee has worked at least 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service, or one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (101g) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service.

(101o) Employees disabled from working by compensable injury or legal occupational disease shall receive credit toward pay periods worked under this Vacation Section for pay periods they would otherwise have been scheduled to work during the period of compensable disability, provided they worked during at least one (1) pay period in the eligibility year and are otherwise eligible for a vacation entitlement.

(101p) In the case of an employee who has worked during at least 13 pay periods in the eligibility year and who voluntarily quits or dies prior to the eligibility date, the vacation entitlement to which the employee would have been entitled based on the number of pay periods worked, shall be paid to the employee or in the event of death, the employee's duly appointed legal representative, if there is one, and, if not, to the spouse, parents, children, or other relatives or dependents of such person as the Corporation in its discretion may determine.

(101q) The vacation entitlement of an employee who holds seniority in two or more Delphi Corporation plants will be computed on the basis of the longest seniority held as of the eligibility date.

(101r) In the case of an employee who goes on sick leave during an eligibility year after having worked less than 13 pay periods in that year and who retires during the next eligibility year under the provisions of the Delphi Corporation Hourly-Rate Employees Pension Plan before returning to work, the retirement, for the purpose of this Vacation Section only, shall be deemed to have occurred as of the day following the employee's last day worked.

(101s) When a person is transferred into a unit covered by this Agreement the amount of vacation entitlement the employee may become eligible for shall be reduced by the amount of any paid vacation or pay in lieu of taking vacation which the employee has already received from the Corporation for the same eligibility year.

(101t) Management recognizes the desirability of providing vacation time-off with pay, up to the vacation entitlement to which the employees' seniority would have entitled them on December 31 of the current year, in a manner that preserves the maintenance of efficient operations while giving consideration to the desires of the employees.

(101u) During each year of this Agreement, the Corporation has designated the following days to be included in an Independence Week Shutdown period:

2004

<u>Tuesday, July 6</u>	- Independence Week Shutdown Day
Wednesday, July <u>7</u>	- Independence Week Shutdown Day
Thursday, July <u>8</u>	- Independence Week Shutdown Day
Friday, July <u>9</u>	- Independence Week Shutdown Day

2005

<u>Tuesday, July 5</u>	- Independence Week Shutdown Day
<u>Wednesday, July 6</u>	- Independence Week Shutdown Day
Thursday, July <u>7</u>	- Independence Week Shutdown Day
Friday, July <u>8</u>	- Independence Week Shutdown Day

2006

Monday, July <u>3</u>	- Independence Week Shutdown Day
<u>Wednesday, July 5</u>	- Independence Week Shutdown Day
<u>Thursday, July 6</u>	- Independence Week Shutdown Day

Friday, July 7 - Independence Week
Shutdown Day

2007

Monday, July 2 - Independence Week
Shutdown Day

Tuesday, July 3 - Independence Week
Shutdown Day

Thursday, July 5 - Independence Week
Shutdown Day

Friday, July 6 - Independence Week
Shutdown Day

(101u) (1) During February of each year, the local Management will notify the Shop Committee of its decision to schedule the week before or the week after the Independence Week Shutdown period as a Plant Vacation Shutdown Week.

(101u) (2) In addition, during February of each year, the local Management will notify the Shop Committee which productive operations, if any, will be scheduled to operate during the Independence Week Shutdown Period and which productive operations, if any, will be scheduled to operate during the Plant Vacation Shutdown Week. Unforeseen circumstances may require subsequent changes in these announced schedules and will be reviewed with the Shop Committee as soon as is practicable.

(101u) (3) Employees who are not scheduled to work during any portion of the Independence Week Shutdown Period shall be paid up to eight (8) hours of pay for each of the Independence Week Shutdown Period days they are not scheduled to work, up to a maximum of thirty-two (32) hours, which will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including

overtime, as of the employee's last day worked prior to the Independence Week Shutdown period provided:

(a) The employee has seniority in any Delphi Corporation plant as of the date of each of the Independence Week Shutdown Days,

(b) The employee is on the active rolls and would otherwise have been scheduled to work if it had not been observed as an Independence Week Shutdown Day,

(c) The employee works the employee's last scheduled work day in the pay period prior to and the employee's next scheduled work day in the pay period after the pay periods of Independence Week Shutdown and Plant Vacation Shutdown Week.

Employees shall receive such pay in the pay period following the Independence Week Shutdown Period.

(101u) (4) Failure to work either the last scheduled work day in the pay period prior to or the first scheduled work day following the Independence Week Shutdown and/or the Plant Vacation Shutdown will disqualify the employee for Independence Week Shutdown pay for two (2) Independence Week Shutdown days. Failure to work both scheduled days disqualifies the employee for pay for the entire Independence Week Shutdown.

(101u) (5) An employee who is scheduled to work during the Independence Week Shutdown Period, including the Independence Day holiday shall be entitled to up to eight (8) hours of Additional time-off with pay up to a maximum of forty (40) hours in lieu of the Independence Week Shutdown Period pay for each day worked provided:

(a) The employee has seniority in any Delphi Corporation plant as of each day worked of the Independence Week Shutdown Period,

(b) The employee is scheduled and reports for work on any of the days, and

(c) The employee performs work on those scheduled days or is absent pursuant to the provisions of Paragraphs (103) or (103a).

The Additional Time-off will be scheduled in accordance with local plant practice and will be in increments equal to the time worked on such days provided the employee has worked four (4) or more hours.

(101u) (6) Eligible employees who, as of the next eligibility date, have not used their entire Additional Time-Off, shall be paid the unused portion in accordance with Paragraphs (101j) and (101k).

(101u) (7) An active seniority employee who is not scheduled to work during the Plant Vacation Shutdown week, shall use any available vacation entitlement hours starting with the first day of the Plant Vacation Shutdown week and will be placed on a leave of absence for vacation purposes for the balance of the Plant Vacation Shutdown week. An active employee without seniority who is not scheduled to work shall be considered on layoff for the entire shutdown period.

(101u) (8) An eligible employee who has approved vacation time-off in accordance with Paragraph (101v), either through individual vacation scheduling or a scheduled plant vacation shutdown, shall receive their vacation pay, up to the amount of their approved time-off, in the pay period following the pay period in which the approved vacation time-off is taken. An employee may elect to waive this provision by submitting an application at least two (2) days prior to the approved vacation time-off. Upon receipt of the application, payment of the specified Vacation Entitlement will be made pursuant to the provisions for payment of an unused balance in Paragraphs (101j) and (101k).

HOLIDAY PAY

(102) Employees shall be paid for specified holidays and the holidays in each of the Christmas holiday periods as provided hereinafter:

1st Year

November 27, 2003 Thanksgiving
November 28, 2003 Day after Thanksgiving
December 24, 2003) Christmas Holiday Period
December 25, 2003)
December 26, 2003)
December 29, 2003)
December 30, 2003)
December 31, 2003)
January 1, 2004)
January 2, 2004)
January 19, 2004 Martin Luther King, Jr. Day
April 9, 2004 Good Friday
April 12, 2004 Day after Easter
May 28, 2004 Friday before Memorial Day
May 31, 2004 Memorial Day
(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),
July 5, 2004 Independence Day
September 6, 2004 Labor Day

2nd Year

November 2, 2004 Federal Election Day
November 15, 2004 Veterans' Day
November 25, 2004 Thanksgiving
November 26, 2004 Day after Thanksgiving
December 24, 2004) Christmas Holiday Period
December 27, 2004)
December 28, 2004)
December 29, 2004)
December 30, 2004)
December 31, 2004)

January 17, 2005 Martin Luther King, Jr. Day

March 25, 2005 Good Friday

March 28, 2005 Day after Easter

May 27, 2005 Friday before Memorial Day

May 30, 2005 Memorial Day

(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2005 Independence Day

September 5, 2005 Labor Day

3rd Year

November 8, 2005 Local Election Day

November 14, 2005 Veterans' Day (Observed)

November 24, 2005 Thanksgiving

November 25, 2005 Day after Thanksgiving

December 26, 2005 Christmas Holiday Period

December 27, 2005)

December 28, 2005)

December 29, 2005)

December 30, 2005)

January 2, 2006)

January 16, 2006 Martin Luther King, Jr. Day

April 14, 2006 Good Friday

April 17, 2006 Day after Easter

May 29, 2006 Memorial Day

(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2006 Independence Day

September 4, 2006 Labor Day

4th Year

November 7, 2006 Federal Election Day

November 13, 2006 Veterans' Day (Observed)

November 23, 2006 Thanksgiving

November 24, 2006 Day after Thanksgiving

December 25, 2006 Christmas Holiday Period

December 26, 2006)

December 27, 2006)
December 28, 2006)
December 29, 2006)
January 1, 2007)
January 15, 2007 Martin Luther King, Jr. Day
April 6, 2007 Good Friday
April 9, 2007 Day after Easter
May 28, 2007 Memorial Day
(or one other such holiday of greater local
importance which must be designated in advance by
mutual agreement locally in writing),
July 4, 2007 Independence Day
September 3, 2007 Labor Day

providing they meet all of the following eligibility rules
unless otherwise provided herein:

(1) The employee has seniority as of the date of
each specified holiday and as of each of the holidays in
each of the Christmas holiday periods, and

(2) The employee would otherwise have been
scheduled to work on such day if it had not been
observed as a holiday, and

(3) The employee must have worked the last
scheduled work day prior to and the next scheduled
work day after each specified holiday within the
employee's scheduled work week. For each Christmas
holiday period, the employee must have worked the last
scheduled work day prior to each holiday period and the
next scheduled work day after each holiday period.

Failure to work either the last scheduled work day
prior to or the next scheduled work day after each
Christmas holiday period will disqualify the employee
for pay for the one holiday in the Christmas holiday
period which follows or precedes such scheduled work
day.

An employee who retires as of January 1, and who is otherwise eligible for holiday pay for those holidays falling in the Christmas holiday period up to and including December 31, will receive holiday pay for such holidays.

In order for employees to have maximum time-off during the Christmas Holiday Period, employees will only be scheduled for work on the following days, which are not paid holidays under this Agreement, on a voluntary basis, except in emergency situations:

Saturday, December 27, 2003

Sunday, December 28, 2003

Saturday, January 3, 2004

Sunday, January 4, 2004

Saturday, December 25, 2004

Sunday, December 26, 2004

Saturday, January 1, 2005

Sunday, January 2, 2005

Saturday, December 24, 2005

Sunday, December 25, 2005

Saturday, December 31, 2005

Sunday, January 1, 2006

Saturday, December 23, 2006

Sunday, December 24, 2006

Saturday, December 30, 2006

Sunday, December 31, 2006

Employees shall not be disqualified for holiday pay if they do not accept work on such days. This does not apply to employees on necessary continuous seven-day operations.

Each of the designated days in the Christmas holiday period shall be a holiday for purposes of this Holiday Pay Section.

(102a) When a holiday falls on Saturday, eligible employees shall receive holiday pay provided they have worked the last preceding scheduled work day within the week in which that holiday falls.

(102b) (1) Employees eligible under these provisions shall receive eight hours' pay for each of the holidays specified in Paragraph (102) computed at their regular straight-time hourly rate exclusive of overtime premium.

(102b) (2) For holidays specified in Paragraph (102), an eligible employee shall have the night shift premium rate which attached to the straight-time hours on the employees last straight time day worked preceding the holiday included in the computation of holiday pay paid pursuant to Paragraph (102b) (1).

(102c) An employee whose work is in necessary continuous seven-day operations as covered by Paragraph (54) of the National Agreement shall receive holiday pay only in the event the holiday falls on one of the employee's regularly scheduled days off, and the employee meets the other eligibility requirements of this Holiday Pay Section; provided, however, that such employee shall not receive holiday pay if the employee is scheduled to work on such day off and is absent from scheduled work on such holiday without reasonable cause acceptable to Management.

(102d) Employees of a Delphi Corporation plant who obtain employment in another Delphi Corporation plant will be eligible for holiday pay during their probationary period provided they have seniority in the home plant as of the date of the holiday and they are otherwise eligible under the terms of these provisions on Holiday Pay.

(102e) A seniority employee who has been laid-off in a reduction of force (except as provided below), or who has gone on Sick Leave, or on Leave of Absence

for Military Service, or on a Leave for Family and Medical reasons, during the work week prior to or during the week in which the holiday falls, shall receive pay for such holiday.

A seniority employee who works in the fourth work week prior to the week in which the Christmas Holiday Period begins, and who is laid-off in a reduction in force during that week, or a seniority employee who is laid-off in a reduction in force during the first, second or third work week prior to or during the work week in which the Christmas Holiday Period begins, shall, if otherwise eligible, receive pay for each of the holidays in the Christmas Holiday Period providing such employee worked the last scheduled work day prior to such layoff.

A seniority employee who works in the fifth, sixth, or seventh work week prior to the week in which the Christmas Holiday Period begins, and who is laid-off in a reduction in force during that week, shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas Holiday Period providing such employee worked the last scheduled work day prior to such layoff.

(102f) An employee who has been laid-off because of model change, plant rearrangement, or inventory shall be eligible for holiday pay under these Holiday Pay provisions, for a specified holiday falling within the period of such layoff providing the employee meets all the following eligibility rules:

(1) The employee has seniority as of the date of the holiday.

(2) The employee is ineligible for holiday pay for the holiday under the other provisions of this Holiday Pay Section.

(3) The employee returns to work during the

work week in which the holiday falls or during the work week immediately following the work week in which the holiday falls.

(4) The employee works the first day the employee is scheduled to work following the holiday.

(102g) When a holiday, specified above, falls within an eligible employee's approved vacation period or during a period in which the employee receives jury duty pay pursuant to Paragraph (103) of this Agreement, and the employee is absent from work during the employee's regularly scheduled work week because of such vacation or jury duty, the employee shall be paid for such holiday.

(102h) When an eligible employee is on an approved leave of absence and returns to work following the holiday but during the week in which the holiday falls, the employee shall be eligible for pay for that holiday. An eligible employee whose leave of absence terminates during the Christmas Holiday Period, and who reports for work on the next scheduled work day after the Christmas Holiday Period, will be eligible for holiday pay beginning with the first holiday the employee would otherwise have worked and each holiday thereafter in the Christmas Holiday Period.

(102i) Employees not working in necessary continuous seven-day operations who may be requested to work on a holiday and have accepted such holiday work assignment and then fail to report for and perform such work, without reasonable cause, shall not receive holiday pay under this Holiday Pay Section.

(102j) When any of the above-enumerated holidays falls on Sunday and the day following is observed as the holiday by the State or Federal Government, the day of observance shall be considered as the holiday under the provisions of this Holiday Pay Section.

(102k) A temporary employee who as of the date of the holiday is on the active payroll and who has worked during 13 continuous or accumulative pay periods during the preceding six months shall be paid holiday pay providing the employee meets the other eligibility qualifications.

(102l) It is the purpose of the Holiday Pay provisions in Paragraphs (102) through (102k) of this Agreement to enable eligible employees to enjoy the specified holidays with full straight time pay. If, with respect to a week included in the Christmas Holiday Period, an employee supplements Holiday Pay by claiming and receiving an unemployment compensation benefit, or claims and receives waiting period credit, to which the employee would not have been entitled if the employee's Holiday Pay had been treated as remuneration for the week, the employee shall be obligated to pay to the Corporation the lesser of the following amounts:

(a) an amount equal to the employee's Holiday Pay for the week in question, or,

(b) an amount equal to either the unemployment compensation paid to the employee for such week or the unemployment compensation which would have been paid to the employee for such week if it had not been a waiting period.

The Corporation will deduct from earnings subsequently due and payable the amount which the employee is obligated to pay as provided above.

GENERAL PROVISIONS

(103) An employee with seniority who is summoned and reports for jury duty (including coroner's juries) as prescribed by applicable law, or who reports for pre-jury

Appendix B
Job Security - Contracting Out of Work

APPENDIX B
DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman,
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the Union discussed with the Corporation serious problems affecting the job security of employees resulting from contracting out of work.

During the course of negotiations, the Union complained that in certain instances the workforce in maintenance and tool and die trades particularly was reduced through attrition and then work was contracted out to the point where there was insufficient labor available within the plant to perform the work; that in certain instances Upgraders were reduced to production jobs and work in their trades which they historically performed and which they were capable of performing was subsequently contracted out for extended periods without recalling the Upgraders to the skilled trades jobs from which they had been reduced; and that in certain instances skilled trades employees were permanently laid-off and new work which they had historically performed was contracted out for extended periods, instead of recalling these employees to their jobs.

The essential elements in the complaints registered by the Union went to the question of job security.

During the current National Negotiations, the parties reviewed the competitive advantage of Delphi Corporation talented skilled trades workforce.

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Job Security - Contracting Out of Work

Discussed were the Union's concerns for the integrity of the apprenticeable trades, the job security of the skilled trades workforce, the content of skilled trades work assignments, and the status of work functions historically performed by the bargaining unit.

At times it is not practicable for the Corporation to do the work itself, and it must, as in the past, reserve the right to decide whether it will do particular maintenance, tool and die and engineering skilled trades work, or contract it out. The Union recognizes that in making such decisions the Corporation must consider, among other things, the efficiencies and economies involved, the need for specialized tools and equipment, special skills and the necessity of meeting production schedules, model change and plant rearrangement deadlines.

In our discussions we agreed that employees' jobs should not be eliminated by reason of a practice of contracting out, and we agreed that existing employment opportunities of seniority employees should not be unnecessarily reduced by reason of management contracting out work. The Corporation, moreover, states that it is its policy to fully utilize its seniority employees, under circumstances in which it is reasonable and practicable to do so, in the performance of work which they have historically performed to produce its product and perform its services.

While Delphi intends to provide this opportunity to its skilled trades workforce, the parties agreed that prolonged schedules involving substantial overtime were not in the best interest of employees or the Corporation and, as a result, Delphi must consider the availability of its skilled workforce when scheduling potential overtime. The parties are expected to work out acceptable means by which Management will have reliable information as to the hours employees will work when planning such work schedules.

Accordingly, the Corporation states that it will make a reasonable effort to avoid contracting out work

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which adversely affects the job security of its employees and that it will utilize various training programs available to it, whenever practicable, to maintain employment opportunities for its employees consistent with the needs of the Corporation.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

APPENDIX D

MEMORANDUM OF UNDERSTANDING JOB SECURITY (JOBS) PROGRAM

The Corporation and the Union are committed to enhancing the job security of Delphi Corporation employees. Such job security can only be realized within a work environment which promotes operational effectiveness, continuous improvement and competitiveness.

Accordingly, the parties have agreed to this JOBS Program, and have pledged to work together, consistent with this Program and other provisions of the National Agreement to enhance the Corporation's competitive position.

The cornerstone of the JOBS Program is a commitment to protection against indefinite layoff for eligible employees as expressly provided herein.

I. SCOPE OF THE PROGRAM - The Corporation and the Union agree that:

(A) Active seniority employees who had job security protection pursuant to Appendix D of the 1999 Collective Bargaining Agreement will be covered by this Job Security Program. Seniority employees not at work who had job security protection pursuant to Appendix D of the 1999 Collective Bargaining Agreement who are:

- 1) on vacation,
- 2) receiving bereavement pay,
- 3) on jury duty,

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- 4) on any leave of absence of 90 days duration or less,
- 5) on temporary layoff, and
- 6) any other employee having a direct attachment to the active workforce will also be covered by this Job Security Program.

In addition, any active employee who subsequently acquires five or more years of seniority during the term of this Memorandum of Understanding will also be covered by this Job Security Program.

(B) No employee covered by this Job Security Program will be laid-off for any reason, other than described in I(C).

(C) Paragraph I(B) notwithstanding, an employee protected from layoff by this Job Security Program may be laid-off for any of the following reasons:

- 1) volume related declines attributable to market related conditions as described in Document No. 4, JOBS Program - Volume Related Layoffs, not to exceed 90 weeks (inclusive of vacation shutdown weeks) over the life of the Agreement;
- 2) acts of God or other such reasons beyond the control of the Corporation including major economic downturn or financial distress;
- 3) the sale of a part of the Corporation's operations as an ongoing business;

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- 4) the layoff of an employee recalled or reassigned to fill an opening known in advance to be temporary; or
- 5) model change or plant rearrangement until the employee otherwise would have been recalled.

An employee impacted by any of the above reasons is, if otherwise eligible, covered by the appropriate Supplemental Agreements which are attached to the National Agreement as Exhibits.

- (D) The number of employees protected by this JOBS Program will be the covered employees who would otherwise be laid-off as a result of any event other than those described in Paragraph I(C).

II. JOB SECURITY AND OPERATIONAL EFFECTIVENESS - In recognition of the fact that job security can only result from joint efforts to improve operational effectiveness, the Corporation and the Union agree that:

- (A) For a period commencing with the effective date of this Memorandum of Understanding and for the life of this Memorandum of Understanding, no covered employee will be laid-off as a result of any event other than those described in Paragraph I(C).
- (B) An employee whose regular job is eliminated will be placed pursuant to the applicable provisions of the National Agreement and Local Seniority Agreement.
- (C) The employees protected from layoff due to the JOBS Program will be that determined in Paragraph I(D). Each protected employee

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will be identified by application of the Local Seniority Agreement provisions as if such job security were not provided.

- (D) The Parties recognize that events, other than those described in I(C), may occur during the course of this Agreement that will cause the number of covered employees to exceed the Corporation's production requirements. The parties further recognize that the scope of this program requires flexibility with regard to the assignment of such Protected employees and the selection of employees for training. In this regard, the Local JOBS Committee (described in Section III, below) will insure that assignments are made on a basis consistent with the seniority provisions of the Collective Bargaining Agreement and Local Seniority Agreement while meeting plant needs, minimizing workforce disruption and enhancing the personal growth and development of employees. After a decision by the Local JOBS Committee a Protected employee may be (1) placed in a training program, (2) used as a replacement to facilitate the training of another employee, (3) placed in a job opening at another Delphi plant provided there is no employee on layoff from that plant with a seniority recall or Paragraph 34(e) rehire right or an applicant who has not been offered a job at that plant, under current Delphi Corporation policy, (4) given a job assignment within or outside the bargaining unit which may be non-traditional, (5) placed in an existing opening or (6) given other assignments consistent with the purposes of this Memorandum of Understanding.

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- (E) 1. Notwithstanding the above, an available Protected employee may be placed on the Area Hire list by Management for selection to an available opening at another location within the area. The number of such Protected employees made available for placement cannot exceed the number of Protected employees who have been laid-off for the duration of the 90 week volume-related layoff limit (inclusive of vacation shutdown weeks). Protected employees will be made available for Area Hire placement in inverse seniority order.
2. A location that has no one on layoff with a seniority recall or Paragraph 34(e) rehire right may fill a job opening with an available Protected employee from another location within the Area Hire Area pursuant to Paragraphs N(1) and (2), or an Area Hire applicant who has not been offered a job in the Area Hire Area;

An available Protected employee transferred permanently to another location may remain at the secondary location until at the employee's home location (1) there is an available opening in the regular active workforce to which the employee is entitled, or (2) the employee is recalled to Protected employee status, or (3) the employee is laid-off from the secondary plant, at which time the employee will return, seniority permitting, to the active workforce.

- (F) Efforts of the local parties to improve operational effectiveness will be encouraged and supported by the national parties including, as may be appropriate, approval of requests to waive, modify or change the National Agreement.
- (G) A Protected employee will continue to receive their regular straight time hourly rate of pay. In the event a Protected employee is assigned to another classification, the employee will receive the rate of pay as provided by the Local Wage Agreement.
- (H) Protected employees' assignments will be considered temporary and not subject to provisions governing permanent filling of vacancies or the application of shift preference, except for assignments to fill openings resulting from volume increases. Experience gained from these temporary assignments will not be used to advantage such Protected employee over other employees for selection to fill permanent vacancies, nor will the Protected employee gain seniority under Paragraph 32 of the National Agreement from such assignments.
- (I) An employee replaced by a Protected employee will receive their regular straight time hourly rate of pay, and will be returned to the same classification and job assignment upon completion of the replaced employee's assignment. In the event the employee has insufficient seniority to return to the formerly held classification, the employee will be placed pursuant to the applicable provisions of the Local Seniority Agreement.

- (J) If an employee would have been transferred pursuant to Paragraphs (33) or (75) of the National Agreement or placed in an Apprentice program were it not for participation in a training assignment provided by this program, the employee will be transferred to this classification upon completion of the training assignment. In the event the employee would have been selected for an Upgrader or Apprentice assignment, the employee's date of entry will be adjusted as if the employee's assignment had not been delayed.
- (K) A replaced employee returned to a job assignment under this Program will be credited with all overtime hours the employee worked while out of the equalization group, but not with the overtime hours the employee would otherwise have worked in the group had the employee not have been replaced by the Protected employee.
- (L) A training assignment will be voluntary on the part of an employee being replaced by a Protected employee, unless such training is to develop or improve technical skills relevant to the employee's current job assignment or anticipated future job needs.
- (M) No Protected employee will be temporarily assigned to a job outside of the bargaining unit except on a voluntary basis, subject to the direction of the National Committee. Permanent transfers of Protected employees outside the bargaining unit to other Delphi-IUE-CWA-represented plants will be handled as follows:

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- (1) Management may place a Protected employee's name on the Area Hire list. The number of names so placed may not exceed the number of employees who have been laid-off for the duration of the 90 week volume-rated layoff limit (inclusive of vacation shutdown). Protected employees will be made available for Area Hire placement in inverse seniority order. Thereafter, such employees may be selected in seniority order to available jobs at other locations. The seniority used by a skilled trades employee in administering these provisions will be the employee's date of entry or Journey-person date.
 - (2) A Protected employee who is transferred permanently in accordance with this paragraph, or if so transferred later accepts a recall or rehire at a former location, will be eligible to receive a relocation allowance and other relocation services as provided in Paragraph (60a) of the National Agreement. A Protected employee temporarily transferred out of the Area Hire Area who does not change permanent residence as a result of the transfer will receive reasonable transportation and living expenses for the duration of the assignment. Any problems connected with the above may be raised with the National Committee.
- (N) The number of employees covered by these Job Security provisions will change as:

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(1) an employee in the active workforce, as defined by Paragraph I(A) who had less than five years of seniority on the effective date of the 2003 National Agreement who subsequently attains five years of seniority; (2) otherwise eligible employees who are not active on the effective date of the new 2003 National Agreement who subsequently return to active status.

Notwithstanding the above, the National JOBS Committee is authorized to establish special mechanisms for the purpose of attracting new work.

- (O) In the event there is an opening due to a volume increase, the available Protected employee with the highest seniority will be placed in this opening, unless the Local Committee determines the employee should first complete the employee's current assignment. If seniority employees are on layoff from that plant, a number of such employees, equivalent to the number of Protected employees placed in openings due to volume increases will be recalled from layoff. A Protected employee transferred to another Delphi plant due to a volume increase who is subsequently laid-off from the secondary plant due to a volume decrease will be returned to available openings at the employee's home plant, seniority permitting.
- (P) A layoff caused by an event described in Paragraph I(C) will have no impact on the number of Protected employees except for an employee who is protected from a layoff attributable to a market related volume

decline in excess of 90 weeks (inclusive of vacation shutdown weeks). In those instances, Protected employees, having the least seniority, will be laid-off and replaced by an equivalent number of greater seniority employees who would otherwise have insufficient seniority to remain in the plant.

- (Q) In the event the Local or National Committee determines that the number of Protected employees exceeds the number of expected openings at the plant or in the Area within the next succeeding 12 months, special programs as set forth in Attachment A may be triggered upon prior approval of the National Committee. Thereafter, to the extent the number of Protected employees is still in excess of expected openings, such employees, under the direction of the National Committee, may be transferred out of the area pursuant to Paragraph (M). The National Committee may also explore the extension of Attachment A to other locations to create job opportunities for excess Protected employees within the Area Hire Area.
- (R) Earnings, including wages and wage related payments, received by employees while on Protected employee assignments, will be charged against the maximum liability amount. The cost of benefits and other payments made or incurred on behalf of Protected employees, specifically, health care (including dental and vision), group insurance, pensions, legal services, and FICA will be charged against the maximum liability amount. Moving allowance payments and the cost of benefits provided

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under Attachment A of this Memorandum of Understanding will not be charged against this liability. Earnings received and the cost of benefits and other payments made on behalf of Protected employees while assigned to fill permanent job openings resulting from volume increases or assigned to other regular and productive work (e.g., absentee replacements) will not be charged against this liability.

- (S) Charges against the Corporation's liability will commence with the first payments made to Protected employees and will continue until the maximum liability is reached or the expiration of the Program as provided in this Memorandum of Understanding, whichever occurs first. The records of such charges will be maintained by the Corporation and will be available to the Union at appropriate times.

III. ADMINISTRATION OF THE JOBS PROGRAM - The Corporation and Union agree that:

- (A) At each bargaining unit covered by the current Delphi-IUE-CWA National Agreement, a Local JOBS Committee will be established to administer the Program.
- (B) The membership of the Committee will consist of the local Plant Manager and other representatives selected by management; the local Union President, if a Delphi Corporation employee, and the Shop Committee.
- (C) The duties of the Local Committee will be:

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1. Review the number and status of the available Protected employees on a monthly basis, specifically noting the impact on this group of attrition, volume and future labor requirements.
2. Monitor the initial placement of an employee who returns to work following an event covered in Paragraphs I(A) and I(C).
3. Monitor the placement of Protected employees. In this regard consideration should be given to both the nature and duration of the assignment following the guidelines contained in Section II to this Memorandum of Understanding. Coordinate with the National Committee the placement of an employee outside the Area Hire as defined in Appendix E Memorandum of Understanding Employee Placement.
4. Monitor permanent layoffs caused by the events described in I(C).
5. Participate in discussions regarding the introduction of new or advanced technology as provided in the Statement on Technological Progress contained in the current Delphi-IUE-CWA National Agreement.
6. Review attrition and changes in the workplace. As required, develop plans to replace attrition, including the use of hires or rehires, to meet operational needs when other appropriate placement sources have been exhausted. The local parties are required to report

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monthly that appropriate communications have taken place; upon the request of the National Committee, the local parties may be required to provide detailed information to support their monthly joint reports.

7. Review the labor requirements of forward product, facility and business plans, maintaining the confidentiality of the material being evaluated.
8. Plan and coordinate the assignment of Protected employees in their home plant, the relocation of Protected employees to other plants in the area and the application of special programs to Protected employees and active workforce employees as described in Attachment A to this Memorandum of Understanding.
9. Authorize non-traditional work assignments for Protected employees where practicable both within or outside the bargaining unit.
10. Review any complaint regarding the administration of the JOBS Program. Refer unresolved complaints to the National Committee. The National Parties will limit the review of complaints to those raised, in writing, within 60 days of the event giving rise to the complaint unless the time limit is waived by the National Committee. Only those matters governing the size of the active workforce, the number of Protected employees, or governing the treatment of Protected employees as set

forth in Section II of this Memorandum of Understanding will be subject to the Grievance Procedure. Such grievances will be filed at the Third Step of the grievance procedure. All other unresolved complaints will be settled expeditiously between the parties at the National level.

11. Jointly coordinate appropriate local training activities to ensure that quality, cost efficient training is provided and appropriate funds are secured from both within Delphi and from external sources.
12. Jointly develop and initiate proposals to improve operational effectiveness to secure existing jobs, and to attract customers and additional business thus providing additional job opportunities. When required, secure necessary approvals from the bargaining unit membership and the national parties.
13. Make recommendations to the National JOBS Committee, as appropriate, regarding any aspect of the JOBS Program. This may include any aspect of the contractual relationship between the Corporation and the Union that is relevant to the duties of the Local JOBS Committee, e.g., Appendix F, Appendix E, and Paragraphs 30, 30a, 59 and 60 of the current Delphi-IUE-CWA National Agreement.
14. Ensure that JOBS funds are used solely for the purposes for which the Program provides protections, as specified in

**Appendix D
Job Security**

Section I(B) of this Memorandum of Understanding.

(D) A National JOBS Committee will be established at the Corporation-International Union level consisting of three (3) representatives selected from the Corporation and three (3) representatives selected by the Chairman of the IUE-CWA Automotive Conference Board.

(E) The National Committee will meet periodically as required to:

1. Review labor requirements for specific areas.
2. Monitor the efforts of the Local Committees.
3. Jointly develop appropriate Delphi-IUE-CWA training efforts working closely with the Local JOBS Committees to ensure that quality, cost efficient training is provided and appropriate funds are secured from both within Delphi and from external sources.
4. Coordinate: (a) placement efforts for eligible workers, (b) assessment and training programs, and (c) funding.
5. Approve Local JOBS Committee efforts to improve operational effectiveness and coordinate these actions when appropriate.
6. Coordinate, where applicable, the execution of Special Programs described in Attachment A as well as the

Appendix D Quick Declaration Pg 74 of 299
Job Security

placement of Protected employees. For example, where a permanent loss of jobs has occurred or is scheduled for a location, the parties may discuss transfer of employees to another location; such a transfer could be in advance of the scheduled job loss, if it could be accomplished without adversely affecting quality and operating efficiency.

7. Act on requests from Local Committees to waive, modify or change National Agreement provisions when such action would result in the preservation or increase of job opportunities.
8. Make quarterly reports to the Union and Corporate leadership regarding the operation of the Program.

(F) The National JOBS Committee is specifically empowered to periodically review and evaluate the operation of this Memorandum of Understanding and make mutually satisfactory adjustments to its provisions during the term of this Memorandum.

IV. FUNDING - The Corporation and International Union agree that:

Notwithstanding the commitments set forth in this Memorandum of Understanding, the Corporation's total financial liability for the cost of the JOBS Program, to be calculated as agreed between the parties, shall not exceed \$206,333,710 during the term of this Memorandum of Understanding adjusted by any amounts shifted between the JOBS and SUB Funds. In the event this liability is

reached, Protected employees will be subject to layoff. Thereafter, to the extent that layoffs of such employees are required, the provisions of the Local Seniority Agreements will apply and eligible employees will receive benefit treatment in accordance with the Supplemental Agreements attached to the Delphi-IUE-CWA National Agreement then in effect.

V. EFFECTIVE DATE - TERMINATION DATE

The Corporation and International Union agree that:

- (A) This Memorandum of Understanding will become effective at each bargaining unit covered by the current Delphi-IUE-CWA National Agreement, on the effective date of this Agreement.
- (B) This Memorandum of Understanding shall expire upon the expiration of the 2003 National Agreement next following the 1999 National Agreement.

APPENDIX F

SOURCING

During these negotiations, the Union raised numerous concerns about the Corporation's sourcing actions and the impact on employment opportunities. To that end, the Corporation will work with and assist the Union at both the Local and International levels to preserve jobs, jointly define and expand the roles and responsibility of the Jobs Preservation Committee, replace jobs which may be lost by outsourcing action, and to create jobs for Protected employees and laid-off employees. It is an objective of the Corporation to grow the business and to continue to rely upon its employees and facilities as the source of its products. During the life of the current Agreement, the Corporation will advise the Chairman of the IUE-CWA Automotive Conference Board, of the Labor Policy Board meeting results relative to sourcing recommendations, including the number of potential jobs affected. Additionally, data regarding incoming and outgoing work will be given to the International Union in a quarterly meeting. In this manner, the parties can judge the success of mutual efforts toward improved job security. The Corporation agrees to incorporate the procedures and structure outlined herein when making sourcing determinations during the current Agreement.

The rationale for sourcing actions will consider the criteria of quality, technology, cost, timing, statutory requirements, occupational and related environmental health and safety issues, the impact on long-term job stability, the degree to which the Corporation's resources can be allocated to further capital expenditures, the overall financial stability of affected facilities, and the impact on related facilities. Other factors considered by the Corporation before a final sourcing decision is made will include the effect on employment, and job and income security costs, on both

Appendix F
Sourcing

a short and long-term basis. Such criteria shall give equal weight to the full impact of a sourcing action on Delphi-IUE-CWA represented employment levels and the job and income security of Delphi-IUE-CWA represented employees. The National parties will jointly further develop the above criteria, to be used to address sourcing issues. In developing this criteria transfer pricing profits will not be considered in making sourcing decisions. Only appropriate return on investment and burden will be considered. The International Union and where appropriate the Local Union will be provided full and timely access to all appropriate data, including financial information, that is pertinent to evaluate product competitiveness and contemplated sourcing. The Union agrees to keep all such information confidential until the Corporation consents to its release. Further, in this regard, the plant Chairperson will designate in writing those Union representatives who will have access to the quote package and related information.

If the Local Committee cannot resolve a sourcing issue, it may file a grievance at the appeal step of the grievance procedure. In addition, the following specific commitments have been made to address sourcing-related job security concerns of IUE-CWA members:

1. Insourcing

The Local JOBS Committee will discuss the practicality of insourcing, in whole or in part, work previously outsourced or new work which the Committee identifies as that which might be performed competitively within the location based on the criteria outlined above. To assist in this process, upon request the International Union will be furnished a complete master file of commodities which will be used to generate a list of parts similar to those currently manufactured at the location that

**Appendix F
Sourcing**

have been (1) outsourced from that location or (2) are currently manufactured by non-Delphi-IUE-CWA suppliers for Delphi Corporation. This list will be updated and expanded to include supplier expiration dates, supplier location (city and state), annual volume, and Union affiliation, if known and will be furnished quarterly or as otherwise agreed to by the National Parties. Thereafter, the parties will initiate efforts to insource particular work consistent with the aforementioned criteria to create prospects for growth and to provide jobs for Protected employees and employees on layoff.

If it is established that certain work can be performed competitively judged by the above criteria, management will adopt the Committee's proposal and barring unique or unforeseen circumstances, bring the work in-house. The Union shall thereafter obtain any necessary approval or ratification within 30 days of the decision to bring the work in-house.

Insourcing credit will be given when:

- Work previously outsourced is subsequently insourced and the local JOBS Committee verifies the actual employee impact on the plant floor; or
- Work currently performed by an outside supplier that has never been produced inside the Corporation is subsequently insourced and the local JOBS Committee verifies actual manpower impact on the plant floor.
- As an insourcing incentive, any work not covered in the two preceding paragraphs, which the Corporation contemplates producing in Delphi-IUE-CWA-represented location(s) and for which it desires insourcing credit, will be considered for such credit by the Jobs Preservation Committee, upon request from the local parties.

Appendix F
Sourcing

The Jobs Preservation Committee recognize the importance of the local JOBS Committee reviewing the insourcing jobs on the plant floor for accurate employee verification relative to insourcing notices.

2. Outsourcing

Outsourcing as used herein means the Corporation's sourcing of work from Delphi-IUE-CWA locations, including work connected with current, new or redesigned components and fabricated parts.

When the quoting process begins, the local Union at the affected location(s) will review and have access to the entire request for quotation package for this work along with cost book information. Upon receipt of this package at the plant, the Chairperson and the Personnel Director will indicate on the accompanying notice (Notice of Potential Outsourcing) that the information has been received. This notice will include a description of the work involved and will be mailed to the Chairman of the IUE-CWA-Automotive Conference Board, and the Executive Director, Industrial Relations, Delphi Corporation.

Following receipt of the request for quotation package (or in the infrequent instances where a quote package is not utilized), the local parties will have the opportunity to jointly develop a plan to perform the work competitively, judged by the criteria listed earlier in this Appendix. The local Union will be provided full and timely access to all appropriate data, including financial information that is pertinent to evaluate product competitiveness and the potential sourcing action. Prior to submission of the initial quote response, the information contained therein will be reviewed by the local parties.

At the close of the quoting process, the local parties

**Appendix F
Sourcing**

will be advised in writing of the most favorable quote response which best meets customer requirements and the terms and conditions contained therein. If this quote response is other than the one submitted by the affected location(s), a written notice will be issued to the Chairperson which includes the reason for the potential outsourcing, the quote price from the affected location, if applicable, the terms and conditions of the most favorable quote response, the potential jobs impact, and the anticipated impact date. Thereafter, the local parties will be given an additional 30 days, or longer when possible, to meet the terms and conditions of the quote response referenced above. A copy of this notice will be sent to the Executive Director, Industrial Relations, Delphi Corporation, and the Chairman of the IUE-CWA Automotive Conference Board.

Additionally, International Union and local union input will be sought by the Corporation and its Divisions as early as possible in the outsourcing decision-making process to allow for more thorough discussion and to permit the parties to better assess the impact of outsourcing on the long-term job stability of employees and the financial viability of given Corporate locations.

The Corporation agrees not to use the results of such discussions to obtain more attractive contract terms from outside suppliers in lieu of keeping the work in-house.

The sourcing authority will not enter into a contractual relationship with a non-Delphi-IUE-CWA supplier until such time as the designated management representative of the impacted location provides written verification that the above notification procedure and discussion by the JOBS Committee, has taken place.

Appendix F
Sourcing

If it is established that the work can be performed competitively, judged by the criteria listed earlier in this Appendix, Management will, barring unique and unforeseen circumstances, keep the work in-house. The Union shall thereafter obtain any necessary approvals or ratification within 30 days of the decision to keep the work in-house.

The Corporation agrees to a full disclosure to the International Union of the procedures utilized in sourcing activities.

3. Future Product Sourcing

Delphi Corporation and the IUE-CWA recognize that early Union involvement in sourcing decisions is advantageous to both parties. In that regard, the Corporation and its Divisions will provide the International Union with early knowledge and the opportunity for input to sourcing decisions for current, redesigned, new and future systems, subsystems or component parts and products, both automotive and non-automotive.

In order to accomplish this information sharing, a confidential review of new technologies being developed as well as pending sourcing decisions will be held on a quarterly basis at the IUE-CWA Automotive Conference Board meetings with the Delphi-IUE-CWA represented facilities.

The implementation of this process should provide the parties with the mechanism to enhance opportunities to utilize internal resources and to competitively grow the business within Delphi-IUE-CWA represented facilities. Any changes to the Corporation's organizational structure or business practices will not be used to circumvent or reduce IUE-CWA involvement.

Appendix F
Sourcing

The commitments expressed in this Appendix are intended to contribute significantly to our cooperatively working together to provide Delphi Corporation employees in the United States improved job security by growing the business.

JOBS PROGRAM - VOLUME RELATED LAYOFFS

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: JOBS Program - Volume Related
Layoffs

During the course of these negotiations, the Corporation and Union have provided Delphi Corporation employees with substantially increased job security through the new JOBS Program, which protects eligible employees against layoff for virtually any reason except volume related market conditions. The parties recognize that employment levels may continue to fluctuate as a result of the cyclical nature of demand in our industry. The Corporation acknowledges, however, the importance of minimizing layoffs even in instances where volume related declines are unavoidable.

In any event, however, employees affected by volume related declines would exercise their seniority in line with local seniority agreements and, if otherwise eligible, receive benefit treatment in accordance with the Supplemental Agreements attached to the current Delphi-IUE-CWA Collective Bargaining Agreement.

Identifying the complex inter-relationships of all the factors involved with volume fluctuations is a difficult task. The parties agreed, however, that for purposes of determining JOBS protections they must identify just those volume declines that are attributable to market related conditions, and in turn just those declines that are not affected by Corporation sourcing choices of components that compete with or act as replacements for components produced by Delphi Corporation employees covered by this Collective Bargaining

Agreement. In other words, volume declines that are attributable to the Corporation's production and purchase arrangements with any related or unrelated party (subsidiaries, affiliates, captives, joint ventures, transplants, etc.) would be considered an exception to the overall volume related exclusion in Section I(C) of the JOBS Program.

The parties also agreed that the complexity of these issues requires that the Corporation provide Local JOBS Committees adequate notice of any impending volume-related layoff, as well as all information necessary to fully evaluate its underlying causes, the extent to which such decline is associated with a Corporate sourcing action and the appropriate number of eligible employees that should be affected by the layoff.

The Corporation recognizes, moreover, that it has the responsibility to justify implementation of a layoff in the context of the protections spelled out in the JOBS Program and the guidelines outlined in this letter. Similarly, the Corporation also accepts the responsibility of proving that the proper number of employees are recalled when a volume related decline is reversed, again within the context of the JOBS Program protections and the guidelines outlined in this letter.

The following are to be considered as illustrations to assist the parties in determining when volume related declines support reductions in employment. These illustrations should not be considered all inclusive.

- Market Related Conditions - Included in this category is customer preference of one product over another that might result in a decline in sales of a U.S.-built Delphi Corporation product that requires the layoff of employees, provided such sales declines are not the result, for example, of increased sales or increased market share of competitive captive imports or joint venture products or any other product sold in the U.S. by Delphi Corporation but not produced in an IUE-CWA-Delphi Corporation plant.

— Example of Market Related Conditions

- (1) There is a decline in economic activity which

JOBS PROGRAM - VOLUME RELATED LAYOFFS

depresses retail sales of IUE-CWA-Delphi Corporation products. Lower production levels require the layoff of employees. Plant A, employing 4,100 JOBS-eligible employees, is the sole source of Product Z for the U.S. market; it is required to layoff one shift, or 2,000 employees. The plant's number of JOBS eligible employees at the plant remains at 4,100, including 2,000 laid-off employees.

While the plant is down to one shift, the Corporation decides to outsource Product X, which reduces employment requirements by 250 employees per shift. Two hundred fifty (250) employees are placed on Protected employee status.

U.S. demand picks up to pre-layoff levels and the second shift is called back. Active employment at the plant goes back to 4,100.

As the second shift is called back and the plant is back to pre-downturn production levels, an additional 250 employees are placed on Protected employee status which now leaves a total of 500 employees.

- (2) Plant B (5,000 JOBS eligible employees) is not the sole source of Product Y, which is also produced in Canada for the U.S. market, in Plant BC. Plant BC supplies one-fourth of the U.S. demand for Product Y. An economic downturn in the U.S. reduces demand for Product Y by 160,000. In accordance with JOBS guidelines, volume related employment reductions cannot exceed Plant B's share of pre-downturn volume levels (three-fourths) applied to the reduced level of overall sales. Production in Plant B is therefore reduced by no more than 120,000 units, causing layoffs of 2,000 workers. Plant B's number of JOBS-eligible employees remains at 5,000, including 2,000 open Bank positions.

Product Y demand in the U.S. market picks up by 60,000. The Corporation decides to produce

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JOBS PROGRAM - VOLUME RELATED LAYOFFS

30,000 of those units in Plant B and the rest in Canadian Plant BC. The increase in production is not accomplished in proportion to pre-layoff production shares; to comply with the Job Security Program, the Corporation must recall 250 employees which it assigns to Protected employee status in addition to the 500 employees required for the pick up in production.

- Product Discontinuance - Because of the introduction of a new U.S.-built Delphi Corporation product or a non-allied company product not sold by Delphi Corporation, sales of another Delphi Corporation manufactured product may decline, and production of the latter product must be curtailed necessitating reductions in employment. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.

— Examples of Product Discontinuance or Phase Out and Changes in Customer Preference

- (1) A new U.S.-built Delphi Corporation product (or any other new non-allied company product which is not marketed by the Corporation) is introduced. Sales of Product X decline by 50%, and production must be curtailed. The necessary reductions in employment are made through layoffs, keeping the number of JOBS-eligible employees at the product plant at the same level.
- (2) Battery Plant C, employing 1,400 JOBS-eligible people, produced half of the batteries for Vehicle X; the other half are produced at a Corporate plant in Mexico. The volume reduction is made totally at Plant C rather than split proportionately between Plant C and the plant in Mexico. Therefore, in accordance with the JOBS guidelines half of the 700 employees who are not required any longer in Plant C due to this event are assigned to Protected employee status, and the other 350 employees would be laid-off. The number of JOBS-eligible employees at

JOBS PROGRAM - VOLUME RELATED LAYOFFS

Plant C remains at 1,400, including 350 open volume related positions.

- Faulty Product - Vehicle line volume may decline because of faulty parts in a vehicle that cause customers to place the product in disfavor. Related Delphi Corporation product volume may also decline. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.
- Changes in Customer Preference - Delphi Corporation volume may decline because of customer preference shifts - in turn affecting mix and therefore demand, e.g., small car preference shifts to large car; option preference swings; high product content to low product content. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.
- Non- Delphi Corporation Commercial Customer Preference - Cancellation or declines in product volume for Delphi Corporation manufactured parts that are sold to unrelated firms may cause volume changes. Such volume reductions would be considered volume related declines under Paragraph I(C) of the Program.

— Examples of Non- Delphi Corporation
Commercial Customer Preference

Plant A produces heavy duty cranking motors for off the road construction equipment. Volume is reduced as a result of a decline in the construction industry. One hundred fifty (150) JOBS-eligible employees are laid-off; these 150 employees have Job Security Protection.

At the time production is back to pre-layoff levels the Corporation introduces two robots which replace 25 employees. According to JOBS guidelines all of the 150 employees are recalled from layoff, 25 of them are assigned to Protected employee status, and the number of JOBS-eligible employees number remains equal to its pre-layoff level.

JOBS PROGRAM - VOLUME RELATED LAYOFFS

- Non- Delphi Corporation Produced Products - If sales of a new or replacement product manufactured by an allied company for Delphi Corporation, that competes with a product manufactured by the Corporation, results in reduced sales of the Corporation-manufactured product, the action would not be volume related and layoffs under Paragraph I(C) of the Program would not be permitted.

- Example of Non- Delphi Corporation Manufactured Products

The Corporation outsources a product that it markets in competition with Product W manufactured by IUE-CWA Delphi Corporation employees. This results in reduced sales of Product W. Employment requirements are reduced, but this event is not covered under Paragraph I(C) of the JOBS Program and layoffs are not permitted. This protection also extends to employees producing IUE-CWA-Delphi components which are manufactured for Product W.

- Components or Materials

It is recognized that reductions in vehicle production will often be accompanied by reductions in component production. When reductions in vehicle production are volume related, pro-rata reductions in component production will normally be considered volume related as well. However, to the extent a reduction in component production results from a shift in sales to products sold by Delphi Corporation but not produced in IUE-CWA-Delphi Corporation plants, the reduction will not be considered volume related. Furthermore, when a like or similar component is dual-sourced from an IUE-CWA-Delphi Corporation and a non-IUE-CWA-Delphi Corporation plant, production declines at the IUE-CWA-Delphi Corporation plant will only be considered volume-related to the extent the dual-sourced component produced at that plant continues to be produced in its pre-production decline proportion.

— Examples:

- (1) Plant A receives regular automotive batteries from an IUE-CWA-Delphi Corporation plant and heavy duty batteries from a non-IUE-CWA-Delphi Corporation plant. A volume decline occurs in regular automotive batteries because of customer preference for heavy duty batteries. Such reductions would be considered volume related declines under the Program but would not have to be taken proportionately because the batteries would not be considered like or similar components.
- (2) Plant B receives regular batteries that have plastic fastening brackets from an IUE-CWA-Delphi Corporation plant and regular batteries that have steel fastening brackets from a non-IUE-CWA-Delphi Corporation plant. The batteries are used interchangeably and would be considered like or similar components. Therefore, any volume declines in battery production would have to be taken proportionately to be considered volume related.

As implied by these examples, there are many variations to be considered when determining volume actions. This letter is intended to provide a framework within which Local and National JOBS Committees may review the applicability of Paragraph I(C) to volume reductions.

If a Local JOBS Committee cannot agree on a situation being defined as volume related, the matter may be appealed to the National JOBS Committee for resolution.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

Doc. No. 7

SALE OF BUSINESS

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the Union requested the Corporation to agree that any sale of an operation as an ongoing business would require the buyer to assume the 2003 Delphi-IUE-CWA Collective Bargaining Agreement. The Corporation agreed to do so in the case of any such sale during the term of the 2003 Agreement.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

SPECIAL SKILLED TRADES REPRESENTATIVE

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the negotiations leading to the current National Agreement, the parties discussed at length the matter of who attends the advance discussion meetings held pursuant to Paragraph (86d) of the National Agreement.

As a result of these discussions, the Corporation and the International Union agreed that each Local Union will be allowed to designate in writing the Local Skilled Trades Chairperson as a Special Skilled Trades Representative who, at the request of the Chairperson of the Shop Committee, will replace another representative at the advance discussion meetings held pursuant to the provisions of Paragraph (86d) of the National Agreement, or the subcontracting communications meetings described in Document #76 attached to the National Agreement. When attending such meetings, the special representative shall serve in a consultative and advisory capacity.

It was further agreed that if the Special Skilled Trades Representative is not a Committeeperson, the Representative's sole function under the terms of the National Agreement shall be to attend the advance discussion meetings as provided herein and the provisions of Paragraph (20) will not be applicable.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

Doc. No. 40

**CENTER FOR BENEFIT PLANS AND
HEALTH AND SAFETY REPRESENTATIVES**

DELPHI CORPORATION

November 16, 2003

Center for Benefit Plans and
Health and Safety Representatives

To: Presidents
Personnel Directors

As a part of the current negotiations, Delphi Corporation informed the International Union, IUE-CWA, that the content of Mr. George B. Morris, Jr.'s letter of November 19, 1973 regarding the Centers for Benefit Plans and Health and Safety Representatives would again be published.

During the 1973 negotiations, the Union indicated that the increased complexities of the Benefit Plans Representatives' duties and the function that the Health and Safety Representative will be expected to perform make it desirable for these Representatives to be provided a Center from which to conduct their important activities. Such a Center would provide these Representatives a place to carry out their respective duties in a professional manner and to retain orderly records necessary to their functions.

The Corporation agreed that such a Center is desirable for the internal use of the Benefit Plans and Health and Safety Representatives in the larger manufacturing and assembly plants.

Following the conclusion of negotiations, the Corporation will advise the International Union of the plants in which such Centers will be included and will discuss with the International Union the size and location of the Centers, appropriate furnishings and other matters related to the uniform implementation of this Center letter.

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**CENTER FOR BENEFIT PLANS AND
HEALTH AND SAFETY REPRESENTATIVES**

The Corporation and the Union, realizing the value of proper administration in these areas, agree that the Center shall be used only by the Benefit Plans and Health and Safety Representatives.

Kevin M. Butler
Vice President
Human Resource Management

Doc. No. 48

BENEFITS REPRESENTATION CONCERNS

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During these negotiations, the Union expressed concern regarding benefit servicing for hourly employees who retire or were retired on or before January 1, 2000, from locations which are now part of Delphi Corporation (Delphi).

The parties acknowledged that through the term of the 2003 Agreement, such retired hourly employees would have benefit services provided by the local Delphi-IUE-CWA benefit representatives although GM retains the responsibility for the benefits and administration of such retirees' benefit plans. It was also acknowledged that over time GM and Delphi benefit systems might become incompatible thereby creating difficulty for local Delphi-IUE-CWA benefit representatives to service retirees who have GM benefit plans.

The parties agreed that in the event such difficulties prevent adequate service during the term of the 2003 Agreement, the parties would work together to attempt to resolve such difficulties.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

Doc. No. 59

FULL-TIME HRD COORDINATOR

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties reviewed the existing Human Resource Development (HRD) Programs in IUE-CWA-represented plants. As a result of this review, the Corporation and the Union reaffirmed their support for ongoing Human Resource Development Programs and agreed to encourage local managements and local unions to participate in such programs.

In these discussions, the Union described instances where local unions were unable to participate fully in joint projects due to a lack of trained bargaining unit personnel.

As a result, the Union agreed to appoint a bargaining unit Human Resource Development Program Coordinator at those plants which have an ongoing joint Human Resource Development Program. The Union also recognized that frequent replacements of Human Resource Development Program Coordinators can seriously affect the progress of Human Resource Development Programs as well as increase expenses related to Coordinator training.

The selection of the Coordinator will be made by the Union subject to the approval of the National Joint Skill Development and Training Committee. The Coordinator will work in cooperation with the locally established joint Human Resource Development Committee and will report to designated representatives of the local parties. It is understood

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FULL-TIME HRD COORDINATOR

that the coordinator will be paid by the Corporation during the regular straight-time hours of the shift for time spent as the coordinator. Furthermore, matters such as shift hours, meeting schedules, etc. will be subject to determination by the local parties.

The duties of the Human Resource Development Program Coordinator shall include, but not be limited to: training of management and union officials; establishing joint workshops for management, union officials and community leaders; and other duties designated by the parties.

The National Joint Skill Development and Training Committee shall periodically review and evaluate the Human Resource Development Program and the duties of the Human Resource Development Program Coordinator at each location and thereafter, make recommendations to the local parties for necessary improvements.

In the event either local party has reason to believe that the Coordinator is not functioning in the best interests of the Human Resource Development Program, the matter may be reviewed with the National Joint Skill Development and Training Committee for resolution.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

PLANT CLOSING AND SALE MORATORIUM

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

Subject: Plant Closing and Sale Moratorium

As a result of your deep concern about job security in our negotiations and the many discussions which took place over it, this will confirm that during the term of the new Collective Bargaining Agreement, until October 12, 2007 the Corporation will not close, nor partially or wholly sell, spin-off, split-off, consolidate or otherwise dispose of in any form, any plant, asset, or business unit of any type, beyond those which have already been identified, constituting a bargaining unit under the Agreement.

In making this commitment, it is understood that conditions may arise that are beyond the control of the Corporation, e.g., act of God, and could make compliance with this commitment impossible. Should such conditions occur, the Corporation will review both the conditions and their impact on a particular location with the Union.

Should it be necessary to close a plant constituting a bargaining unit, consistent with our past practice, the Corporation will attempt to redeploy employees to other locations and, if necessary, utilize the "Special Programs" identified in Appendix D of the Delphi-

PLANT CLOSING AND SALE MORATORIUM

IUE-CWA National Agreement or other incentivized attrition programs as agreed to by the National JOBS Committee.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

Doc. No. 67

UP-FRONT LUMP SUM PAYMENT

DELPHI CORPORATION

November 16, 2003

Mr. James D. Clark
Chairman
IUE-CWA Automotive Conference Board
2360 W. Dorothy Lane
Suite 201
Dayton, OH 45439

Dear Mr. Clark:

During the current negotiations, the parties agreed to provide an up-front lump sum payment of \$3,000 to each eligible employee who is represented by the Union. Such payment will be made in the second pay period following receipt by the Corporation of written notification of ratification of this Agreement. Eligible employees who are represented by the Union are defined as those whose status with the Corporation on the effective date of this Agreement is one of the following:

- (a) Active (excluding those hired pursuant to Appendix E, Section VI and any other temporary part-time employee not acquiring seniority);
- (b) In protected status;
- (c) On temporary layoff status;
- (d) On one of the following leaves of absence not greater than ninety (90) days:
 - Informal (Paragraph 87)
 - Formal (Paragraph 88)
 - Sickness and Accident (Paragraph 90/91)
 - Pursuant to Family and Medical Leave Act
 - Military (Paragraph 95)

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UP-FRONT LUMP SUM PAYMENT

- Educational (Paragraph 96);

(e) Employees, represented by the Union,
otherwise eligible with retirements processed
for an effective date of October 1, 2003 or
November 1, 2003.

In addition, should the International Union, -IUE-
CWA Automotive Conference Board raise any
question of equity in application regarding specific
employees who are represented by the Union, the
Corporation agrees to meet on such cases in order to
review the facts.

As has been our practice with prior up-front lump
sum payments, the payment is conditional solely on
the membership's ratification of the Agreement and is
paid to eligible employees in the above status
whether or not they vote for ratification or perform
any services for the Corporation.

Very truly yours,

Kevin M. Butler
Vice President
Human Resource Management

MEMORANDUM OF UNDERSTANDING - JOINT ACTIVITIES

During current negotiations, the parties mutually recognized that the challenge from foreign and domestic competitors requires a fundamental change to maximize the potential of our human resources. The parties agreed that in order to make constructive progress in this regard, there is a need to reaffirm the necessity of assuring that the various programs related to changes in the work environment are appropriately and effectively administered. Decisions concerning those programs must be mutual at all levels, and must respect the concerns and interests of the parties involved.

National Joint Skill Development and Training Committee

The parties have agreed to continue the National Joint Skill Development and Training Committee as the facilitating mechanism for joint endeavors. The Co-Directors of the National Joint Skill Development and Training Committee will be the Executive Director of Industrial Relations and the President of the IUE-CWA. Each will appoint an equal number of persons from their respective organizations as members of the National Joint Skill Development and Training Committee.

The National Joint Skill Development and Training Committee will actively direct and support the National Joint Health and Safety Committee, the National Employee Assistance Program, the JOBS Program, the Individual Upward Educational Plan and such other national joint committees and activities as may be mutually agreed to by the Union and the Corporation. The Co-Directors will appoint an equal number of representatives from their organizations to serve on these Joint National Committees. Additional persons

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external to either party may also be appointed with the mutual approval of the Co-Directors.

The duties and responsibilities of the National Joint Skill Development and Training Committee will include, but not be limited to, the following:

- A. Setting policies and providing guidelines;
- B. Allocating funds for projects and activities;
- C. Monitoring expenditures for approved projects and activities;
- D. Coordinating the efforts of the National Committees referred to above;
- E. Evaluating and auditing the ongoing performance and results of these committees;
- F. Keeping IUE-CWA leadership and Corporate management informed of joint Union-Management activities and the progress of the national committees in achieving their objectives;
- G. Reviewing and approving proposals for National Meetings, conferences, and workshops.

Joint Skill Development and Training

The parties have agreed to provide resources from available funds to promote the development and implementation of skill development and training activities, including technical training for active and displaced employees. Programs funded by this Agreement will be jointly conceived, implemented, monitored and evaluated.

Additionally, Joint Skill Development and Training Committees will continue to function at the local level, comprised of the President of the Local Union, the

JOINT ACTIVITIES

Chairperson of the Shop Committee or their representatives and the Plant Manager, the Personnel Director or their designated representatives. The National Joint Skills Development and Training Committee and/or their designated representatives should be fully involved in local skill development and training efforts, including any action of each Joint Local Committee.

Other Joint Activities

In addition to its previously described functions, the National Joint Skill Development and Training Committee will support other joint National Committees by:

- (1) Coordinating requests for funding of joint activities, studies, pilot programs, training, etc.
- (2) Providing appropriate communication vehicles or information sharing processes for joint activities;
- (3) Providing mechanisms to monitor, audit, and evaluate joint activities; and
- (4) Coordinating joint efforts, projects, and the various national committees.

Approval Process

Any requests for authorization to expend funds must be jointly approved by the local parties and submitted to the National Committee for approval. In situations where mutual agreement regarding fund approval cannot be reached locally, either party may appeal the issue to the National Joint Skill Development and Training Committee for resolution. When the local parties request funds for Human Resource Development endeavors, the proposal must be forwarded to the

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National Joint Skill Development and Training Committee for review and monitoring in accordance with its guidelines.

Funds Utilization

Funds may only be used for joint endeavors in furtherance of this Memorandum of Understanding, or in support of those Joint National Committees specified above. The parties are specifically empowered to review and evaluate this Memorandum and the guidelines and make mutually satisfactory adjustments and modifications during the term of this Agreement.

Following are illustrative examples of appropriate uses of the various funds.

- Specific projects dealing with active workers
- Joint National Studies
- Joint National Pilot programs
- Joint National Agreement administration
- Training efforts of active employees in job related skills, basic education enhancement, interpersonal skills and Human Resource Development
- Specific studies, pilots, activities, etc. agreed to by the National Parties

It is understood that funds may not be utilized for contractually specified training such as apprentice training nor for funding of time-off the job of designated or elected IUE-CWA representatives routinely functioning in administration of the contract.

It is understood that nothing in this Memorandum limits the rights of either party to provide education and training programs on the same, similar or other subjects.

Agreement Expiration

In the event the parties should agree to discontinue, in whole or in part, this Memorandum prior to the expiration date of the new National Agreement, or upon expiration, the parties shall meet to discuss any problems arising out of the termination.

**INTERNATIONAL
UNION, IUE-CWA**

James D. Clark
Stephen E. Trent

**DELPHI
CORPORATION**

Bernard J. Quick
Charles E. Rucker

15. National Agreement Changes and/or Waivers

It is agreed that it may be beneficial for local unions and local managements to consider alternative work schedules or other means to improve the competitive position at particular plant locations. It is agreed that in order to facilitate and encourage such innovations, it may be necessary to change and/or waive certain provisions of the National Agreement and Exhibits attached thereto at such plant locations. It is further understood if either the Local Union or Local Management intends to propose any change or waiver of the National Agreement and Exhibits attached thereto, including but not limited to wages and benefit programs, prior written notice shall be given by the Local Union to the Chairman of the IUE-CWA Automotive Conference Board and by the Local Management to the Executive Director of Industrial Relations of the Corporation. Prior to the commencing of negotiations at the local level pursuant to this paragraph, discussions at the National level will take place if requested by either the International Union or the Corporation. It is understood that any National Agreement and/or Exhibits thereto change(s), or waiver resulting from such local negotiations will not be effective unless approved in writing both by the Corporation and International Union, and such change(s) will be effective only at the plant location(s) specifically designated. In addition, the parties agree that any local agreements negotiated and approved pursuant to this paragraph will not be considered in conflict with any provision of the National Agreement as specifically provided for in Paragraph (104) of the National Agreement.

16. Funding: Joint Skill Development and Training

It is agreed that the Corporation will make available to the National Joint Skill Development and Training

Committee for use in nationally approved national or local projects, including health and safety training, subject to the provisions of the Memorandum of Understanding - Joint Activities, funding up to \$41,000,000.00, over the life of the Agreement, of which \$1,500,000.00 would be made available for the continuation of Legal Services if approved by the National Parties, subject to an annual budget process. If the funding is fully utilized prior to the expiration of this contract period, the Corporation agrees to continue the funding of Nationally approved projects (for example, IUEP, Dependent Scholarship Program, Retiree IUEP and operation of the IUE-CWA-Delphi Joint Activities Center) up to an additional \$10,000,000.00.

17. Ratification and Effective Date

The new Agreement shall become effective on the first Monday following the date on which the Corporation receives satisfactory notice from the International Union that the new Agreement has been ratified by the Union membership provided that the Corporation receives said notice from the International Union on or before November 30, 2003.

Counterpart Signatures

The signatures hereon shall be applicable to each of the various written agreements to which each party has committed itself in the same manner and with the same effect as if physically subscribed thereon.

The parties hereto, each by its duly authorized officials and representatives hereby accept this Contract Settlement Agreement and each and all terms and conditions thereof.

Exhibit B

Agreement

Between

**DELPHI AUTOMOTIVE
SYSTEMS**

and

**DELPHI ENERGY AND
CHASSIS SYSTEMS**

and

LOCAL UNION 87

**UNITED STEELWORKERS
OF AMERICA
AFL-CIO/CLC**

December 8, 1999

any and all litigation or proceedings brought against the Corporation by (1) any employee, group of employees, or any other person who has had wages "checked-off" pursuant to the provisions of this section of the Agreement and/or by (2) any Federal, State or local government body or agency, by reason of the Corporation having carried out the terms of the "check-off" provision of this Agreement, provided that the claim of liability is predicated upon the provisions of the statutes of the particular State involved, or is predicated upon the provisions of any Federal statutes involved, as the case may be.

REPRESENTATION

(8a) The plant will be districted by agreement between the Management and the President of the Local Union and the Chairperson of the Shop Committee in the ratio of not to exceed one district for each two hundred and fifty employees covered by this Agreement.

(8b) However, in the event the number of employees in an established district becomes in excess of 250 employees, when averaged over a three-month period, it may be districted at the end of such three-month period, upon the request of either the Management or the Union. Thereafter, redistricting shall be accomplished within twenty working days of such request.

(8c) The total number of employees receiving a regular payroll check for work performed [plus employees who did not receive a regular payroll check who are on an approved vacation or leave of absence pursuant to Paragraphs (102) and (106) - short term] during a week representative of normal operations, mutually selected by the Management and the Union, will be the number used for redistricting.

(9a) Except as noted in Paragraph (8b), the plant shall be redistricted not more frequently than six-month

intervals from the date of this Agreement upon request of either the Management or the Union, unless otherwise mutually agreed by the parties. Thereafter, redistricting shall be accomplished within twenty working days of such request.

(9b) In the establishment of representation districts as provided above, it is recognized that separate areas of the plant currently exist and are identified as follows:

Area	Description of Areas of the Plant
"A"	All existing or any future buildings located not more than one-quarter mile east of a line running not more than one-half mile north or more than one-half mile south of a point beginning at the intersection of Third and Abbey Avenue.
"B"	All existing or any future buildings located not more than three-fourth mile west of a line running not more than one-half mile north or more than one-half mile south of a point beginning at the intersection of Third and Abbey Avenue.
"C"	(Vandalia) All existing or any future buildings at the <u>Corporation's</u> Vandalia, Ohio location.

Other Locations - [See Paragraph (15c)]

(9c) The areas of the Plant as described in Paragraph (9b) above, may be supplemented or changed by negotiations between the Corporation and the Union.

(9d) Any district established in accordance with Paragraph (8a) will exist in only one of the areas of the Plant as presently set forth in Paragraph (9b) or as may be supplemented or changed by negotiations between the Corporation and the Union.

DISTRICT COMMITTEEPERSONS

(10) Each district will be represented by one district committeeperson and one alternate committeeperson. Except as noted in Paragraph (15a), the alternate committeeperson will function only while the district committeeperson is absent from work.

(11) No one shall be eligible to serve as a district committeeperson or as an alternate committeeperson unless the person is an employee in the district which they represents, and until they have acquired seniority and are working in the plant.

(12) District committeepersons and alternate committeepersons are subject to all rules governing employees except as otherwise provided in this Agreement.

(13) A committeeperson will function eight (8) hours per day for the purpose of adjusting grievances in any department in their district for representational purposes in the Grievance Procedure or if they have been notified that their presence has been requested to represent an employee in another district in accordance with the Committeeperson Sequence Call Chart. Such permission will be granted immediately, or within a period not to exceed one hour.

(14) Upon entering a department other than their own in the fulfillment of their duties, the committeeperson shall report to the location arranged between the committeeperson and the committeeperson's advisor.

(14a) In the event an employee requests representation under Paragraph (31) prior to being notified that he/she is being transferred to another district, the district committeeperson for his/her regular district may respond to the request, provided the districts involved are in reasonable proximity and there is no change of shift.

(15a)(1) District committeepersons will be permitted to adjust grievances only in their respective districts except in the event the committeeperson and the alternate committeeperson are both absent from work, a committeeperson from another district on the same shift within the same area of the Plant [as defined in Paragraph (9b)] will be permitted to adjust grievances in that district. Such district committeeperson shall be selected from a list designated in order of preference. This list shall be determined during a meeting arranged at a mutually set time by a Supervisor of Labor Relations and the Chairperson of the Shop Committee. This list may be revised not more frequently than each two months from the date of the Agreement upon request of either the Chairperson of the Shop Committee or a Supervisor of Labor Relations, unless otherwise mutually agreed by the parties. However, in the event all other district committeepersons within the same area of the Plant are absent from work, then an alternate committeeperson from another district on the same shift within the same area of the Plant will be permitted to adjust grievances in that district.

(15b)(1) If an alternate committeeperson for a district or a district committeeperson or alternate committeeperson from another district, as the case may be, is called to function during an absence as set forth in Paragraph (15a)(1) and the grievance is not adjusted during that call, any subsequent call for a committeeperson to handle that grievance will be made to the same district committeeperson or alternate committeeperson, as the case may be, provided that the committeeperson and the grievant are working on the same shift and in the same area of the plant.

(15b)(2) If a district committeeperson or an alternate committeeperson, as the case may be, is called to function during an absence as set forth in Paragraph (15a)(1) and the grievance is not adjusted during that call, any subsequent call for a committeeperson to

handle that grievance will be made in accordance with the Committeeperson Sequence Call Chart starting at Step 1 for the grievant's applicable area of the plant.

(15c) The Chairperson of the Shop Committee may function for the purposes of Paragraph (15d) and the Chairperson of the Shop Committee may supply and maintain an up-to-date list of Union Representatives as defined in Paragraph (15c)(1) who may function for the purposes of Paragraph (15d). Their selection will be from among seniority employees assigned to and working the shift and within the particular Plant Area for which they are designated to function under the provisions of Paragraph (15d). This list shall also indicate the Union's preference as to the order in which such Union Representatives are to be called.

In the event all Union Representatives so designated as defined in Paragraph (15c)(1) below are absent from the plant, representation will be provided in accordance with the Committeeperson Sequence Call Chart starting with Step 1 [see paragraph (15a)].

(15c)(1) Paragraph (13) does not apply to the Chairperson of the Shop Committee or to Union Representatives as specified under this Paragraph (15c)(1).

	No. of Union Representatives Who Employees May Function Under the Provisions In Plant of Paragraph (15d) below
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Up to 1500	1 *
1500-3000	2
3000-4500	3
4500-6000	4
6000 and over	5

*This shall be the Chairperson of the Shop Committee.

(15d)(1) Grievances may be filed by employees not on the payroll. Since it is important that complaints regarding unjust or discriminatory layoffs or discharges be handled promptly, accordingly employees having such type complaints should present themselves as provided for in Paragraph (15d)(3) below to handle such complaint.

(15d)(2) When such an employee presents himself/herself at the Area in accordance with (1) above, the grievance will be handled on that shift as designated in Paragraph (15c).

(15d)(3) Employees not on the payroll may file or present a complaint to the Corporation at the following locations. If such employee last worked in Plant Areas "A" or "B," the employee must present said complaint to the Labor Relations Office in Plant Area "A". If such employee last worked in Plant Area "C" the employee must present said complaint to the Labor Relations Office located in Plant Area "C". However, such latter employee may present his/her complaint to the Labor Relations Office located in Plant Area "A" by arrangement made between the President of the Local Union or the Chairperson of the Shop Committee and a member of the Corporation's Labor Relations Staff.

(15e) Requests for representation by employees assigned to work at a location other than those defined under Paragraph (9b) shall be provided in accordance with arrangements made by the President of the Local Union or his/her designated representative and a member of the Corporation's Labor Relations Staff.

(15f) The term "grievances filed" as used in this Agreement, shall also cover the "calling of a committeeperson" under the applicable terms of this Agreement even though a written grievance does not result from such call.

(16) Committeepersons shall enter and remain in the plant only on their respective shifts unless required to enter the plant on other shifts in accordance with the provisions of this Agreement.

(17a) In order to perform their functions under the Grievance Procedure, committeepersons and alternate committeepersons, including the district committeeperson designated in Paragraph (15c) shall, as a group, have available to them time totaling two (2) hours times the number of districts as established in Paragraph (9a) times the number of days committeepersons actually work each day under (17a) above, but not less than sixty (60.0) hours each calendar week. This additional time is to be used by the committeeperson or alternate committeeperson to adjust grievances, including verbal grievances, only in the event they have exhausted the committeeperson time allowed their district as set forth in Paragraph (17a).

**COMMITTEEPERSON SEQUENCE CALL CHART
COMMITTEEPERSON TO BE CALLED PER PARAGRAPH (15a)**

"A"	"B"	"C"
1. Dist Com. for dist. in which grievant is working.	Dist. Com. for dist. in which grievant is working.	Dist. Com. for dist. in which grievant is working.
2. Alt. Com. for dist. in which grievant is working.	Alt. Com. for dist. in which grievant is working.	Alt. Com. for dist. in which grievant is working.
3. A Dist. Com. from another dist. in Plant Area "A".	A Dist. Com. from another dist. in Plant Area "B".	A Dist. Com. from another dist. in Plant Area "C".
4. An Alt. Com. from another dist. in Plant Area "A".	An Alt. Com. from another dist. in Plant Area "B".	An Alt. Com. from another dist. in Plant Area "C".
5. An Alt. Com. from another dist. in Plant Area "B".	An Alt. Com. from another dist. in Plant Area "A".	An Alt. Com. from another dist. in Plant Area "A".

- | | | |
|---|--|--|
| 6. An Alt. Com. from another dist. in Plant Area "B". | An Alt. Com. from another dist. in Plant Area "A". | An Alt. Com. from another dist. in Plant Area "A". |
| 7. An Alt. Com. from another dist. in Plant Area "C". | An Alt. Com. from another dist. in Plant Area "C". | An Alt. Com. from another dist. in Plant Area "B". |
| 8. An Alt. Com. from another dist. in Plant Area "C". | An Alt. Com. from another dist. in Plant Area "C". | An Alt. Com. from another dist. in Plant Area "B". |

NOTE:

The call for a committeeperson following calls at Steps 1 and 2 of this Committeeperson Call procedure as set forth in the above chart will occur only after it has been found that the committeeperson at the preceeding step is absent from work.

(18) Committeepersons shall be paid by the Corporation for the time spent at the rate for the classification they hold.

(19) During the working hours, committeepersons shall confine their activities to the adjustment of grievances.

(19a) It is mutually agreed that the prompt adjustment of grievances is desirable in the interest of sound relations between the employees and the Management.

(19b) The prompt and fair disposition of grievances involves important and equal obligations and responsibilities, both joint and independent, on the part of representatives of each party to protect and preserve the Grievance Procedure as an orderly means of resolving legitimate grievances.

Committeepersons acting properly in their official capacity should be free from orders by supervision which, if carried out, would impair the orderly investigation and presentation of grievances. Actions which tend to impair or weaken the Grievance Procedure, whenever they occur or in whatever manner or form, are improper.

Committeepersons have a responsibility to the Union and the employees they represent to conduct themselves in a businesslike manner and shall conform to the Shop Rules. The normal standard of conduct applicable to all employees shall be applied to committeepersons.

(20) Committeepersons shall be governed by the local plant rules regarding employees entering and leaving the plant except to conduct Union business. Committeepersons may enter or remain in the plant on shifts other than their own when investigating grievances in accordance with the terms of this Agreement. Furthermore, committeepersons may leave the plant when arrangements are made as far in advance as possible with the Management by the President of the Local Union, the Chairperson of the Shop Committee or the International Representative.

(20a) The following is applicable to the days Monday through Friday. Provided five hundred (500) or more employees are scheduled by the Corporation to work on a day, the Chairperson of the Shop Committee will be permitted to leave the plant in accordance with Paragraph (20) for six (6.0) continuous hours per day either the first or last six (6.0) straight time hours of their shift. The Chairperson will be paid their regular rate for such six (6.0) hour period while attending to Union business when they would otherwise be scheduled in the plant on their shift to perform their regular work. They shall notify a designated Management representative when leaving the plant and upon returning to the plant during working hours. They shall ring in and out in the same manner as other employees are required to do.

(21) The names of the district committeeperson and alternate committeeperson in each district shall be given in writing to the Management. No committeeperson shall function as such until the Management has been advised of his/her selection, in writ-

ing, by the President of the Local Union. Any changes in committeepersons shall be promptly reported to the Management in writing. The names and clock numbers of the district committeepersons and alternate committeepersons for each district shall be posted in each department of the district. Appointment or change in district committeepersons shall be effective one (1) working day after above notification in writing is received.

(22) Any committeeperson [this includes an alternate committeeperson if they are functioning under Paragraph (10) of the Agreement, while the district committeeperson is absent from work] having an individual grievance in connection with their own work may ask for any other district committeeperson working in the same area of the plant in which they work [re: Paragraph (9b)] to assist them in adjusting the grievance with their supervisor. In the event no district committeeperson or alternate committeeperson is working in the same Area, the aggrieved committeeperson will be provided with representation in accordance with the Committeeperson Sequence Call Chart [see Paragraph (15a)] starting and proceeding if and as necessary with Step 5 of said chart.

(23a) For the purpose of representation in handling grievances as provided herein, district committeepersons, and alternate committeepersons shall be scheduled without regard to seniority or to available hour equalization standing, as long as there is work scheduled in their respective districts.

(23aa) For the purpose of representation in handling grievances as provided herein, the district committeeperson, or the alternate committeeperson for the district if the district committeeperson is absent, shall be scheduled for representation purposes during Saturday, Sunday and Holiday overtime, without regard to seniority or to available hour equalization standing, as long as there is work scheduled in their district.

(23a)(1) If the Chairperson of the Shop Committee, as is specified to Management in Paragraph (21) of the Agreement, and/or a Union Representative(s) as defined in Paragraph (15c) (1) of the Agreement, is not a committeeperson covered under the provisions of Paragraph (23a) above, they shall be scheduled to report at the Plant for Shop Committee representation purposes as follows:

1. All regular hours up to eight (8) within their district on their respective shift is covered by this Paragraph of the Agreement, (See Paragraph (20a) on certain provisions for Chairperson of the Shop Committee.)

(1) The Chairperson of the Shop Committee's district is defined as all areas of the Plant and a Union Representative's district is defined as an area of the Plant as set forth in Paragraph (9b) of the Agreement and their shift shall be the day shift unless otherwise mutually agreed.

2. All overtime hours up to eight (8) within their district on their shift (including Saturdays and Sundays and all holidays).

(1) When 10 or more of the people they normally represent are working. Paragraph (13) of the Agreement shall not apply to them during such period.

(2) When less than 10 of the people they normally represent are working, they shall only be scheduled to report at the Plant in accordance with Paragraph (114) of the Agreement.

(23b)(1) When there is a reduction in force, the committeeperson and alternate committeeperson shall, at the point they would be subject to being removed from their respective district be retained on a job which they are capable of doing at the current rate of pay for

such work. In the event the district committeeperson and/or alternate committeeperson are transferred under the above circumstances, their return to their regular occupational groups shall be in accordance with the provisions of the applicable Seniority Section of this Agreement.

(23b)(2) When there is a specified, temporary reduction in force due to model change or plant rearrangement, or, where it is known at least three (3) working days in advance that a department employing a committeeperson and/or alternate committeeperson is scheduled to be completely "down" for a full week Monday through Sunday or longer (excluding inventory periods), the committeeperson and alternate committeeperson will at the point they would be subject to being removed from their respective district be retained on a job which they are capable of doing at the current rate of pay for such work. In the event a committeeperson or alternate committeeperson is temporarily transferred from their respective regular occupational group under this provision to available work in another occupational group (department) within the district, they will be returned regardless of seniority, to their regular occupational groups when work they are capable of doing is resumed therein.

(23c) In the event an entire district, as established under the provisions of Paragraph (8), is temporarily discontinued or abolished, the district committeeperson and/or alternate committeeperson for that district will be considered deposed and will be laid off or transferred under the provisions outlined in Appendix "A," sub-paragraph (c) of this Agreement and thereafter will be governed by all provisions of the applicable Seniority Section of this Agreement.

(23d) District committeepersons and/or alternate committeepersons who are laid off from the plant or transferred in accordance with Paragraph (23c) will be the first to be recalled to their assigned district,

without regard to seniority, to a job they are capable of doing at the existing rate for such job.

In the event sufficient number of jobs resume operation in the district requiring the recall of other employees beyond the committeeperson and alternate committeeperson, and such other employees have seniority greater than the committeeperson or alternate committeeperson, the applicable provisions of the Seniority Section of this Agreement shall apply in the relative assignments of the recalled employees.

(23e) If such recall and assignment, as provided by Paragraph (23d), is to a non-interchangeable occupational group other than their regular occupational group, their return to their regular occupational group, shall be in accordance with Paragraph (61a) or Paragraph (62q), whichever is applicable. (For other provisions covering deposed district committeepersons and alternate committeepersons, see Appendix "A")

(24) While on leave of absence, no employee shall serve as a district committeeperson.

SHOP COMMITTEE

(25a) The Shop Committee shall consist of any six (6) district committeepersons and the President of the Local Union, if he/she is an employee of the Corporation currently active at work in the plant, or of any seven (7) district committeepersons and the President of the Local Union, if he/she is not currently active at work in the plant. However, one or both of the following may be substituted, on a one-for-one basis for a district committeeperson:

(1) The Chairperson of the Shop Committee, if a seniority employee who is not a district committeeperson or an alternate committeeperson.

(2) A Union representative designated by the Chairperson of the Shop Committee, if a seniority employee who is not a district committeeperson or an alternate committeeperson.

(3) The Chairperson of the Local Union Skilled Trades and Apprentice Committee.

In the event the Chairperson of the Shop Committee, a designated Union representative as referred to above and/or Chairperson of the Local Union Skilled Trades and Apprentice Committee attends a regularly scheduled meeting with Management as herein provided, each will be compensated for time so spent on the same basis as set forth under the provisions of Paragraph (27a).

(25b) An alternate committeeperson may be substituted for a district committeeperson in the above instances. However, this shall not result in an increase in the total number of committeepersons comprising the Shop Committee, nor shall it prohibit the alternate committeeperson from functioning as outlined in Paragraph (10).

(26) There shall be regularly scheduled weekly meetings of the Shop Committee and the Manage-

ment at a time mutually agreed on, unless the time between meetings is changed by mutual agreement.

(27a) The district and/or alternate committeeperson serving on the Shop Committee as outlined in Paragraph (25), shall be compensated at their earned rate for not more than eight (8.0) hours spent in attending such regular scheduled meeting with Management.

(27b) The hours for which payment may be made to a committeeperson for attending a regularly scheduled Shop Committee Meeting outside their scheduled hours, shall not be included in those hours for which daily or weekly overtime may be payable under this Agreement or any law.

(28) Members of the Shop Committee are subject to all rules governing employees and district committeepersons except as provided in this Agreement.

(29) International Executive Officers of the Union, or their representatives duly authorized to represent the International Union at Shop Committee Meetings, and the President of the Local Union, if not employed in the plant, or his/her designated representative who must be a seniority employee of the Corporation (either active or on Leave of Absence for Union Activity) and who is also a Local Union officer, will be permitted to attend meetings between the Shop Committee and the Management upon written request of the Chairperson of the Shop Committee or the President of the Local Union, given to the Management at least twenty-four (24) hours before each meeting. The Management shall not be requested to meet with more than two such representatives, whose names must have been submitted previously to the Management, and who must be prepared to show proper credentials. A local Union member who is an employee of the Corporation and who has been approved by the Local

Union Executive Board and of whom the Corporation has been previously so notified may be substituted for one such representative at Shop Committee meetings.

(30) The names of the members of Shop Committee attending meetings with the Management shall be submitted to the Management twenty-four (24) hours before the meeting.

GRIEVANCE PROCEDURE

Step One:

(31) Any employee having a grievance or a designated member of a group having a grievance may first take up the grievance with the Advisor, who will attempt to adjust it.

(31a) Using the Committeeperson Request form provided by the Corporation, the employee may request the Advisor to call the committeeperson for that district to handle the grievance with the Advisor. Upon receipt of the Committeeperson Request form, the Advisor will place a call for or otherwise notify the committeeperson promptly.

(31b) If, following the committeeperson's arrival, the committeeperson determines a grievance exists the grievance shall then be stated verbally to the Advisor. The Advisor will then discuss the grievance with the committeeperson and the employee. Following this discussion, the Advisor will give a verbal answer. The verbal reply of the Advisor may, by mutual agreement, be delayed to a later time.

(31c) If the grievance is not adjusted at this point, it may be reduced to writing the same day the Advisor gives his verbal answer, or it may be delayed to the next work day. Grievances reduced to writing will be on forms provided by the Corporation and signed by the committeeperson and the employee or the designated member of the group having a grievance. The

(2) In the case of employees recalled from layoff with seniority or reassigned from the Employee Development Bank as provided in Appendix "L" - JOBS Program, the regular group shall be established as the occupational group which the employee is properly assigned at the time of recall or reassignment.

(3) In the event an employee is permitted by Management to permanently transfer, provided he has acquired seniority under the provisions of Paragraph (49), the occupational group to which he/she is transferred shall become his/her regular occupational group for the purposes of Paragraph (61a) above.

SENIORITY

B-II

(Special Groups)

(62a) Seniority shall be by non-interchangeable occupational groups, either as now established or as may be changed by negotiations later.

As provided in this Paragraph (62) of this Agreement, the special non-interchangeable occupational groups as established as of the effective date of this Agreement are as contained in a local Memorandum of Understanding attached to the Local Agreement.

(62b) (1) Acquiring Seniority - Employees may acquire seniority in a special non-interchangeable occupational group by working ninety (90) days during a period of six (6) continuous months in the said special non-interchangeable occupational group assigned except as provided in Appendix M. This is applicable both to employees hired directly into a special non-interchangeable occupational group or transferred into a special non-interchangeable occupational group from any other non-interchangeable occupational group including the special groups. Seniority gained in one special non-interchangeable occupational

group shall not be applicable in another special non-interchangeable occupational group.

(62b) (2) Employees shall be regarded as temporary employees until seniority is established. There shall be no responsibility for the re-employment of temporary employees if they are laid off or discharged during this period. However, any claim by a temporary employee including employees rehired pursuant to Paragraph (62d)(5) or any claim by any other temporary employee made after working 30 days for the Corporation that his/her layoff or discharge is not for cause, may be taken up as a grievance.

Such claims must be stated in detail in writing at the time of the filing of the grievance and must be handled in accordance with the provisions of Paragraph (65).

(62c) In the event an employee is laid off or transferred from one of the special groups due to a reduction in force and prior to having actually acquired seniority in accordance with Paragraph (62b) in that special group, there shall be no requirement to rehire such employee into that special group when the work force is being increased.

(62d) Loss of Seniority - To protect his/her seniority, it is the employee's responsibility to notify the Advisor or the Personnel Department of his/her proper home address on the forms provided. The employee will be given a copy of such form.

All types of seniority retained will be broken for the following reasons:

- (1) If the employee quits.
- (2) If the employee is discharged.
- (3) If the employee is absent for five (5) regular working days without properly notifying the Management, unless a satisfactory reason is given.

(4) If the employee fails to return to work within five (5) regular working days after having been notified to report for work, unless a satisfactory reason is given supported by acceptable evidence, provided notice was sent to the employee's last known address. A copy of Management's notification of such loss of seniority will be furnished promptly to the Chairperson of the Shop Committee.

(5) If an employee has acquired seniority in accordance with Paragraph (62b) in a special non-interchangeable occupational group and is laid off or transferred from the said special non-interchangeable occupational group due to a reduction in force for thirty (30) continuous months. However, if his/her seniority exceeds thirty (30) months, seniority will not be broken until he/she has been laid off for a continuous period equal to the seniority he/she had acquired at the time of such layoff. An employee whose seniority is so broken pursuant to this Paragraph (62d)(5) shall, for a period of sixty (60) months beginning with the employee's last scheduled work day prior to layoff, retain a right to be rehired in accordance with the seniority the employee had acquired at the plant as of such last day scheduled. An employee who is rehired and who reacquires seniority, pursuant to Paragraph (62b), within sixty (60) months immediately following the last day worked prior to the layoff during which his/her seniority was broken by virtue of this Paragraph (62d)(5), shall have his/her new seniority date adjusted by adding an amount equal to the seniority he/she had acquired at the plant as of such last day worked. (This provision, Paragraph (62d)(5), applies only to the loss of special non-interchangeable occupational group seniority.)

(6) If the employee fails to report for work within three (3) regular working days following recovery from illness. [See Paragraph (109c).] (See Appendix "G".)

(7) Retirement as follows:

(a) An employee who retires, or who is retired under the terms of the Pension Plan, shall cease to be an employee and shall have all types of seniority cancelled.

(b) An employee who has been retired on a permanent and total disability pension and who thereby has broken his/her seniority in accordance with subsection (a) above but who recovers and has his/her pension discontinued, shall have his/her seniority reinstated as though he/she had been on a sick leave of absence during the period of his/her disability retirement, provided however, if the period of his/her disability retirement was for a period longer than the seniority he/she had at the date of retirement, he/she shall, upon the discontinuance of his/her disability pension, be given seniority equal to the amount of seniority he/she had at the date of such retirement.

(c) If an employee retired for reasons other than total and permanent disability, who has lost seniority in accordance with subsection (a) above, is rehired: such employee will have the status of a new employee and without seniority, and he/she shall not acquire or accumulate any seniority thereafter, except for the purpose of applying the provisions governing Holiday Pay and Vacation Pay.

(8) Any employee who has been transferred from a job classification not included in the bargaining unit to a job classification in the bargaining unit shall be credited with the seniority he/she had established prior to March 1, 1977, all time worked in the bargaining unit subsequent to March 1, 1977, except as provided in Document 25, provided:

(a) He/she previously worked on a job classification in the bargaining unit. This shall also be applied to employees who were promoted prior to certification of the Union.

(b) His/her employment with the Cor-
poration has remained unbroken.

Such employee may be placed on the job to which his/her seniority would entitle him/her under the local seniority agreement, beginning with the last previous job he/she held in the bargaining unit provided however, that if such last previously held job is no longer in existence, he/she may be placed in accordance with Paragraph (62o). In no event shall such employee be transferred to a bargaining unit job at a time when the employee has insufficient seniority to be so placed.

(9) Employees with established seniority in a special non-interchangeable occupational group who are transferred from said special group, except for reasons of reassignment by Management or reduction in force, shall lose only such previously acquired special non-interchangeable occupational group seniority following eighteen (18) months of continuous absence from the special non-interchangeable occupational group.

(62e) For purposes of shift assignment, layoff and rehire, the employee's established seniority date within the special non-interchangeable occupational group assigned will be used.

(62f) In determining who is senior among those employees having the same seniority date, for purposes of transfer, layoff, rehire, and/or shift preference, the employee having the greater plant-wide seniority date will be considered the senior employee and the employee having the next greatest plant-wide seniority date will be considered the next senior employee, and so on. However, if there are two or more employees with the same plant-wide seniority date, the employee having the lowest social security number will be considered the senior employee. The employee having the next lowest social security number among said group will be considered the next senior employee in the group, and so on.

(62g) The transferring of employees is the responsibility of the Management. In the advancement of employees to higher rated jobs when ability, merit and capacity are equal, employees with the longest unbroken service with the Corporation will be given preference and, further, it is provided if these employees have ability, merit and capacity equal to new hires, they shall be given preference for advancements over new hires.

(62g) (1) A seniority employee who desires to transfer to a new position or vacancy in another department, may make application on forms provided by the Corporation stating his/her desires, qualifications and experience. The completed application form should be presented by the applicant to a Personnel Department office. Each employee may have two (2) such applications on file. In the event an employee presents more than two applications to the Personnel Department, the applications with the latest date will be the only applications considered. Application forms may be secured from the Personnel Department office. Such applications for transfer will only be retained for consideration by the Plant Personnel Department as may be negotiated locally.

(2) Applications for transfer made under the provisions of this paragraph will not be considered until such time as all employees with recall rights under the provisions of Paragraph (62q) have had an opportunity to be recalled, except that if the employees to be recalled do not have the ability, merit and capacity for the job opening equal to that of the employees making application for transfer, the said employees with recall rights will not be recalled until such time as the said applicants are given prior consideration.

(3) Any claim of personal prejudice or any claim of discrimination for Union activity in connection with transfers may be taken up as a grievance.

Such claims must be supported by written evidence submitted within forty-eight (48) hours from the time the grievance is filed.

(4) An application for transfer as provided in Paragraph (62g)(1) will be considered provided it is on file by not later than Monday of the week preceding the week the vacancy occurred.

(5) Applicants as provided in Paragraph (62g)(1), provided they can do the work, will be transferred in accordance with the following procedure:

(a) Applicants will be transferred promptly but in not more than five (5) working days, wherein the vacancy which results from such transfer is filled by a new hire or a rehire into the plant from layoff.

(b) Applicants will be transferred promptly but in not more than ten (10) working days wherein the vacancy which results from such transfer is filled by a "home group" recall.

(c) In determining who is the more senior employee applicant in order to give preference to such employee, in the event there is more than one applicant with equal ability, merit and capacity, the earliest established seniority date retained by such applicants shall be used.

(6) An employee who has been transferred under the provisions of Paragraph (62g)(5) may not have a subsequent application for transfer, made under the provisions of Paragraph (62g)(1), considered during the one-hundred fifty (150) day period immediately succeeding the effective date of said transfer.

(7) A vacancy resulting from the transfer of an applicant under Paragraph (62g)(5) may be filled without reference to the application for transfers, made under the provisions of Paragraph (62g)(1).

(8) Any delay beyond the time periods set forth in Paragraph (62g)(5), may be discussed upon the request of either party in a meeting arranged promptly between one Union representative, designated by the Local Union President and one Corporation representative.

(9) The provisions of this paragraph shall be applied without discrimination because of race, religion, color, age, sex, sexual orientation or national origin, so that equal employment opportunity will be afforded to all employees.

(62i) (1) Employees with seniority who have been certified by the Medical Department as unable to continue on their present jobs will be transferred in line with their seniority to such available work as they are capable of doing at the rate of the job to which they are transferred.

(62i) (2) Any employee who has been incapacitated at his/her regular work by injury or occupational disease while employed by the Corporation, may be employed on any other work in the plant which he/she can do without regard to any seniority provisions of this Agreement, except that such employee will not displace an employee with longer seniority, provided, however, that by written agreement between local Management and the Shop Committee, any such employee may be placed or retained on a job he/she can do without regard to seniority rules. Each three months the name, job classification and seniority date of employees covered by such agreement will be furnished to the Chairperson of the Shop Committee.

(62j) (1) Any grievance involving a dispute regarding an employee's job assignment which has resulted in a loss of work [except as provided in (a) below] or a refusal of Management to return an employee to work from Sick Leave of Absence by reason of the medical findings of a physician or physicians acting for the Corporation, will be initiated at Step Three, if

such findings are in conflict with the findings of the employee's personal physician with respect to whether the employee is able to do a job to which he/she is entitled in line with his/her seniority or do the disputed job assignment as the case may be. Failing to resolve the question, the parties may refer the employee to a local clinic or physician mutually agreed upon for an impartial medical opinion as to whether the employee is or is not able to do a job to which he/she is entitled in line with his/her seniority or do the disputed job assignment as the case may be.

If Management and the Union are unable to agree on any aspect of the referral to a clinic or physician, the case may be appealed as provided in the grievance procedure. The expense of any mutually agreed to physical examination(s) in accordance with the above provisions of this Paragraph (62j) shall be paid one half by the Corporation and one half by the employee.

(a) This procedure will also be applicable to a situation where an employee is prevented from being transferred to a job classification because of a medical finding by a physician acting for the Corporation, which medical finding the employee's personal physician does not thereafter detect.

(2) In the event the Corporation and the International Union are unable to mutually agree at Step Four, on the referral to a clinic or physician, the case shall be considered as automatically appealed to the Umpire and shall be scheduled for Umpire Hearing as expeditiously as practicable. The case will then be handled in accordance with Paragraph (41). Information furnished the Umpire shall include all relevant and material medical information that the parties themselves have jointly considered. When deciding medical questions, the Umpire shall seek such competent medical advice, including specialists, as he/she may deem appropriate. Any examination of the employee by the medical personnel selected by the Umpire shall

be paid one-half by the Corporation and one-half by the employee and shall be conducted as close as feasible to the city in which the plant where the grievance arose is located.

(3) Any decision by a mutually agreed to medical authority at any step of this Paragraph (62j) procedure, or by the Umpire, shall be final and binding on the Union, the employee involved and the Corporation. Any retroactive pay due the employee shall be limited to a period commencing with the date of filing of the grievance, or the date the employee became able to do a job to which he/she is entitled in line with his/her seniority, whichever is the later. The Umpire shall have full discretion to set the amount of back pay, if any, when a dispute exists as to the back pay to which an employee may be entitled for any period during the processing of the grievance when the employee refused to cooperate with diagnostic medical procedures at other than his/her own expense.

(62k) (1) For temporary reductions in production, the work week may be reduced before employees are laid off.

(2) Insofar as it is practicable during temporary reductions in production in a job classification within a department on a given shift, the temporary employees will be scheduled off before employees with seniority are scheduled off.

(3) If there is not enough work available in a job classification within a department on a given shift for the employees with seniority after scheduling off the temporary employees in accordance with (62k)(2) above, the seniority employees will be scheduled off in accordance with Paragraph (114).

(62l) Temporary employees will have been laid off following not more than three (3) weeks of reduced work weeks, provided it has been determined the reduction in production is to be for an extended

period. Following the layoff of temporary employees, the extent to which the work week will be reduced before employees with seniority are to be laid off will become a subject for negotiation on the basis of conditions which exist at that time.

(62m) Employees with seniority will be laid off and rehired in their special occupational group in line with their seniority. Insofar as is practical, all temporary employees will be laid off before laying off employees with seniority; and to reinstate, insofar as is practical, employees with seniority before new employees are hired. Appropriate action will be determined by negotiation on the basis of conditions existing at that time.

(62n) In case of reduction in force, the special occupational group seniority of employees shall be limited to the special group in which seniority has been established.

(62o) However, if an employee was transferred into a special occupational group on a transfer from other non-interchangeable occupational groups where they had previously established seniority which they still retain, they will, when laid off from one of these special groups, be transferred or laid off in accordance with the provisions of the applicable Seniority Section of this Agreement.

(62p) There shall be no responsibility for the employment elsewhere in the plant of any employee hired or transferred into one of the special occupational groups listed in Seniority Section B-II if the employee is laid off and has not acquired seniority in any other group in the plant except that if such employee would otherwise be assigned to the Employee Development Bank as provided in Appendix "L" - JOBS Program, the employee may be offered the opportunity to volunteer for assignment to a job in another group in the plant ahead of new hires, provided they can do the available work. If there are more volunteers than the

number of openings available at the time, seniority will be used as a tie breaker. When such volunteers do not meet the manpower requirements, such employees may be assigned to job openings ahead of new hires.

(62q) (1) The transfer of employees from their regular special non-interchangeable occupational group (home special group) in accordance with Paragraph (62o) in the foregoing will be considered temporary. The occupational group to which the employee is temporarily transferred in accordance with Paragraph (62o) shall be considered the "temporary group."

(2) When the Corporation resumes work in a special group, employees who are then working in the plant and who retain, at that time, seniority in said "home special group" will be recalled in line with their seniority from the "temporary group" to their "home special group" in accordance with the following procedure:

(a) "Temporary groups" which do not require replacement(s) or additional employee(s), will transfer out recalled employees when notified by the Employment Department.

(b) "Temporary groups" requiring replacement(s) but not requiring additional employee(s), will transfer out one (1) "home special group" recalled employee for each employee received from the Employment Department.

(c) "Temporary groups" requiring replacement(s) and additional employees(s) will transfer out one (1) "home special group" recalled employee for each two (2) employees received from the Employment Department until all additional employees have been received and, thereafter, the transfer out of recalled employees shall be in accordance with sub-paragraph (b) of this Paragraph (62q)(2).

(3) When the Corporation resumes work in a special occupational group, employees who are then on layoff from the plant and who retain, at that time, seniority in said "home special group" will, following recall into the plant from layoff, be recalled to their "home special group" in line with their seniority in accordance with the following procedure:

(a) Such recall into the plant will be in accordance with the provisions of Paragraph (62m).

(b) Thereafter, such employee (if not assigned his/her "home special group" upon recall into the plant from layoff) will have his/her recall to his/her "home special group" handled as provided in Paragraph (62q)(2) beginning on the second Monday following the date the employee started to work upon return from layoff.

(4) The transfer procedures outlined in Paragraph (62q)(2) will be handled as follows:

(a) A transfer under Paragraph (62q)(2)(a) will be made not later than one (1) working day following the date of the Employment Department notification.

(b) A transfer under either Paragraph (62q)(2)(b) or (62q)(2)(c) wherein the recalled employee is replaced in the "temporary group" by an employee returned to work under the provisions of Paragraph (59a), (62m), or a new employee hired, such transfer, subject to the size and complexity of the recall and transfer moves, will be made promptly but in not more than five (5) working days following notification by the Employment Department.

(c) A transfer under either Paragraph (62q)(2)(b) or (62q)(2)(c) wherein the recalled employee is replaced in the "temporary group" by any "home group" recalled employee or an employee who is being transferred at his request under Paragraph

(55a) or (62h), such transfer, subject to the size and complexity of the recall and transfer moves, will be made promptly but in not more than ten (10) working days.

(5) In the event the size and complexity of the recall and transfer moves will result in a delay beyond the time periods set forth in Paragraph (62q) (4), the Corporation will submit to the Local Union the facts and problems attendant to the recall and transfer moves causing such delay. Following submission of such information to the Local Union, a meeting will be arranged promptly between the Corporation and the Local Union Negotiating Committee to discuss the delay, upon the request of either party.

(6) In the case of new employees, the regular special non-interchangeable occupational group shall be established as the special occupational group which the employee is properly assigned at the time seniority is acquired; or in the event an employee is permitted by Management to permanently transfer, provided he/she has acquired seniority under the provisions of Paragraph (62b), the occupational group to which he/she is transferred shall become his/her regular occupational group for the purposes of Paragraph (62q)(1) above.

Apprentices

(62r) (1) Training of apprentices will be governed by uniform apprentice training programs, including the shop training and related training schedules as established in the Delphi Automotive Systems Standard Apprentice Plan.

(62r) (2) The Delphi Standard Apprentice Plan is made a part of this Agreement.

(62r) (3) Disputes concerning the Apprentices and Skilled Trades Sections of this Agreement may be appealed to the Umpire in accordance with Paragraph (47a).

(62r) (4) The provisions of this Main Agreement will apply to apprentices except for the following paragraphs:

(62k)(1)
(62k)(2)
(62k)(3)
(62l)
(62m)
(114)

(62r) (4) (a) Paragraph (55) and Paragraph (62g) [pertaining to advancement] shall not apply to apprentices nor to openings or vacancies in apprentice classifications.

(62r) (4) (b) Paragraphs (55a) and (62g)(1) through (62g)(9) do not apply to apprentices nor to openings or vacancies in apprentice classifications.

(62r) (5) An Apprentice Committee composed of two (2) Union members and two (2) Management members shall be established. The Union shall appoint journeymen/women from the plant as members of the Apprentice Committee, one of whom shall be designated as the Chairperson of the Union members of the Apprentice Committee. Management shall notify the Union of its members, one of whom shall be designated the Apprentice Coordinator.

(a) The Apprentice Committee Chairperson of the Union members of the Apprentice Committee may be substituted for a District Committeeperson and shall be permitted to attend regular Shop Committee meetings for the purpose of assisting in the handling of grievances of apprentices. He/she will be paid his/her regular rate for time spent in such meetings and for making the investigations provided for in this sub-paragraph for the hours he/she would otherwise have worked in the plant. The Chairperson of the Shop Committee may designate the Chairperson of the Union members of the Apprentice Committee, in

lieu of a member of the Shop Committee, to make a further investigation of a grievance filed by an apprentice if further investigation of the case is warranted after appeal to the Shop Committee in accordance with Paragraph (34a) of the Agreement.

(b) The duties and functions of the Apprentice Committee shall be as follows:

(1) To negotiate on issues, involving the effect of the employment of apprentices on the employment of journeymen/women in the trades involved.

(2) To study other matters that may involve the training of apprentices by journeymen/women in the shop. When machinery, equipment or material is introduced or modified and new skills are required in the journeyman/woman classification in the plant, the matter may be reviewed to determine the effect on the shop and related training of apprentices including necessary revision of such training. If requested, arrangements will be made with the Apprentice Coordinator for the Apprentice Committee to investigate the new skills on the plant floor as a part of their review. When a meeting is held with the local educational institution providing related training to implement changes in the related training curriculum, the Union members of the Local Apprentice Committee will be given the opportunity to attend.

(3) To review progress reports of the apprentice shop and related training schedules in meetings of the Apprentice Committee.

(4) Upon request of a member of the Apprentice Committee an individual apprentice's record shall be reviewed in a meeting of the Apprentice Committee once during the last thirty (30) day period prior to completion of the apprentice shop training schedule. Problems involving the improper application of the shop training schedules to individual

apprentices may be raised with supervision and if necessary discussed with the apprentices on the plant floor by the Chairperson or other Union member of the Apprentice Committee.

(5) (a) To interview tested apprentice applicants in accordance with the Apprentice Selection Procedure. Interview results will be combined with test scores by central scoring where separate lists will be developed, one for seniority employee applicants and one for all other applicants, each list to be in descending order of points scored for each classification for which they have applied. The lists for each apprentice classification will be provided by central scoring for review by the Local Apprentice Committee. When apprentices are selected, such selections shall be on the basis of at least two from the seniority employee applicant list for every one selected from the other list in descending order of total point score in accordance with the Apprentice Selection Procedure: however, more selections from the other list may be made in the event sufficient seniority employee applicants are not available. Notwithstanding the above provisions of this Paragraph, laid off apprentices may be placed in the classification from which they were laid off prior to the selection of new applicants from either the seniority employee applicant list or the one from all other applicants.

(5) (b) When either list of qualified applicants for a classification is exhausted, additional qualified applicants may be placed on the list for that classification, but in any event additional qualified applicants will be added to the list at twelve (12) month intervals. Changes in the twelve (12) month interval referred to in this Paragraph may be changed by Delphi Automotive Systems in its Standard Apprentice Plan.

(5) (c) When necessary, the Apprentice Coordinator will make arrangements to tempo-

rarily assign a Union member of the Local Apprentice Committee to another shift for the purpose of interviewing applicants or to handle specified, legitimate apprentice matters. The overtime premium pay provisions of this Agreement are hereby waived in such instances and such changes in shift for this purpose will not result in the payment of overtime premium.

(6) All applications for apprenticeship will be available upon request for review by the Chairperson of the Union members of the Apprentice Committee.

(7) The Local Apprentice Committee will be provided an Interview List containing the name, social security number, date of birth, plant employment information and trades applied for prior to the interview. The Apprentice Committee will also be provided with a copy of the Final Applicant Rankings of qualified applicants eligible for selection for each classification containing the name, and, in the case of employee applicants, the seniority date will be included.

(8) Employees eligible for Tuition Refund who express a desire to enter the apprentice program will be advised by a member of the Local Apprentice Committee of courses that are available through the Tuition Refund program which may help them become better prepared as applicants for apprentice training.

(9) The Apprentice Coordinator and the Chairperson of the Union members of the Apprentice Committee may confer with new apprentices for the purpose of acquainting the apprentices with the role of the Corporation, Local Management, the Union and the Apprentice Committee in the apprentice program and to ascertain that the apprentice understands his/her status and obligations as an apprentice in accordance with the Apprentice Training Agreement.

(10) The Apprentice Coordinator and the Chairperson of the Union members of the Apprentice Committee may confer with apprentices where there are indications that the apprentice is failing to perform his/her obligations as an apprentice.

(11) To evaluate and credit previous experience.

(12) To issue certificates of completion of apprenticeship.

(13) Each six months the Chairperson of the Union members of the Apprentice Committee will be furnished with a list of the number of apprentices in each training period by classification and the number of journeymen/women by classification included in the ratio of apprentices in training to journeymen/women.

(14) Apprentice training matters which are discussed by the Apprentice Committee and are not resolved may be referred to the Corporation's Labor Relations Staff.

(62r) (6) The Apprentice Committee shall meet at a mutually agreed-upon time at least once each thirty (30) days unless otherwise agreed to extend the time between meetings. Each Apprentice Committee person will be paid his regular rate for time spent in such meetings and for the necessary time to properly perform his/her duties and functions provided for in Paragraph (62r)(5)(b) for the hours he/she would otherwise have worked in the plant. Minutes of such meetings will be furnished to the Union members of the Apprentice Committee within fourteen (14) calendar days from the date of the meeting.

(62r) (7) The Standard Apprentice Plan, as revised, shall become effective and is to be followed as of the effective date of this Agreement. For identification a copy of such plan has been signed by the parties hereto.

(62r) (8) The number of new apprentices enrolled each year shall be determined on the basis of the number of journeymen/women employed for the program each year averaged over the preceding twelve (12) months. The ratio of apprentices in training to journeymen/women should not exceed one (1) apprentice to eight (8) journeymen/women. However, the Union agrees that the Corporation can establish a ratio of apprentices to journeymen/women in excess of the one (1) to eight (8) ratio, in accordance with plant needs and tooling programs, but not to exceed a ratio of one (1) apprentice to five (5) journeymen/women. Favorable consideration will be given to requests for deviation below the one (1) to five (5) ratio in instances in which it is anticipated the impact of early retirement will create a skilled manpower shortage. In the event of a reduction of force, the apprentices in excess of the one (1) to eight (8) ratio will be laid off before any journeyman/woman in that classification is laid off, except that a minimum of one (1) apprentice may be retained in each trade. In a reduction in force, apprentices assigned a particular trade who have completed 1832 hours of the total hours required by their Program will be laid off in reverse order of their date of entry into that Program following the layoff of all other apprentices assigned such trade. Apprentices who have completed 1832 hours of the total hours required by their Program and who have been laid off pursuant to the foregoing will be recalled to their respective trade in reverse order of layoff. Except as provided above, the employment of indentured apprentices shall not be governed by seniority rules. Laid off apprentices who may be placed on job openings in the plant shall receive credit toward acquiring and accumulating seniority under Paragraph (49) for the period of employment as an apprentice.

Apprentice Eligibility

(a) Management will review its apprentice training needs and will post on the bulletin boards a list of apprentice openings. In order to be eligible for consideration for apprenticeship, all applicants must meet the requirements for apprentice training as established in the Delphi Automotive Systems Standard Apprentice Plan, including age, education and other tests, such as aptitude tests. To satisfy the education requirement, the applicant must be a high school graduate, or have an equivalent education such as the high school equivalency test or other methods that may be established under the Delphi Automotive Systems Standard Apprentice Plan, or meet the alternative requirements set forth in the Delphi Automotive Systems Standard Apprentice Plan. The new employee applicant must be between the ages of 18 and 44 years, both inclusive (or consistent with applicable State and Federal laws).

(b) If a seniority employee applicant for apprentice training meets all of the requirements for the apprentice program applicable to prospective apprentices, his/her application will be considered with other applicants for the apprentice program and he/she shall be considered as satisfying the age requirement for apprentice training if he/she has not reached his/her 45th birthday. An employee shall have his/her wage rate adjusted to the starting rate of the apprentice rate schedule.

(c) Employees classified as apprentices or journeymen/women are not eligible to file an application for an opening in the apprentice program.

Terms of Apprenticeship

(d) The term of apprenticeship shall be nominally four (4) years in length, but shall be based on the number of hours actually worked. The shop schedule shall be divided into eight (8) periods of 916 hours each.

Related Training

(e) Each apprentice shall be required during the period of this apprentice program, to complete a program of related and supplemental classroom instructions not to exceed 576 hours during a four-year training course. Exceptions up to a maximum of 672 hours may be jointly recommended for specific classifications by the Local Apprentice Committee subject to approval by the Corporation's Labor Relations Staff.

(f) Time spent by the apprentice in connection with related training shall not be considered time worked under this Agreement; nevertheless, time spent by the apprentice in taking required related training shall be paid for at the apprentice's straight time hourly rate.

(g) The Corporation agrees to pay, on behalf of apprentices covered by this Agreement, registration fees and/or tuition required in connection with related training under the apprentice program, but not to exceed 576 hours of related training.

Apprentice Wage Rates

(h) Effective with the effective date of this Agreement, the straight time hourly wage rates (exclusive of Cost-of-Living Allowance and shift premium) for apprentices in the bargaining unit shall be the rates set forth in the following Apprentice Rate schedule:

Apprentice

Training Period	Hourly Rate*	
1st 916 Hours	<u>\$21.08</u>	
2nd 916 Hours	<u>21.21</u>	
3rd 916 Hours	<u>21.21</u>	plus 9% of "Rate Difference"
4th 916 Hours	<u>21.21</u>	plus 29% of "Rate Difference"
5th 916 Hours	<u>21.21</u>	plus 33% of "Rate Difference"
6th 916 Hours	<u>21.21</u>	plus 48% of "Rate Difference"
7th 916 Hours	<u>21.21</u>	plus 66% of "Rate Difference"
8th 916 Hours	<u>21.21</u>	plus 86% of "Rate Difference"

*The "Rate of Difference" shall be determined by subtracting the sum of \$.20 and the Hourly Rate for the 2nd 916 Hours from the maximum rate established in the Local Wage Agreement for the journeyman/woman classification for which the apprentice is in training. Resultant rates shall be rounded to the nearest 1 cent.

(i) Notwithstanding the foregoing provisions, a seniority employee transferred to apprentice training shall be transferred at his/her current rate or the rate of \$22.74 per hour, whichever is lower, provided, however, that in no event will his/her 1st Period Rate be lower than a rate of ten cents (10¢) over the 1st Period Hourly Rate set forth above. Upon his/her completion of that 1st Period, he/she shall be paid a rate of \$21.57 or his/her first period rate, whichever is higher, and if retained, shall be paid such rate until he/she qualifies for a higher rate in accordance with the Apprentice Rate Schedule.

The \$22.74 and \$21.57 rates shown in the above paragraph will become \$23.42 and \$22.22 on September 18, 2000; \$24.12 and \$22.89 on September 17, 2001; and \$24.84 and \$23.58 on September 16, 2002.

(j) Upon graduation, an apprentice will receive an increase, if retained, to the midpoint of the rate range for the skilled classification to which he/she is assigned.

(k) The above Apprentice Rate Schedule automatically provides for all increases in straight time hourly wage rates which are effective on the effective date of this Agreement. The wage increases provided for in Paragraph (93a) shall be added to the fixed portion of the Hourly Rate in the Apprentice Rate Schedule and to the above stated \$22.74 and \$21.57 rates and the Straight time hourly wage rates for individual apprentices shall be determined only in accordance with the provisions of this Paragraph (62r) (8).

(62r) (9) Each apprentice classification in the apprentice program shall be included within the Special Non-interchangeable Occupational Group to which it is assigned. (See Seniority Section "B-II")

(62r) (10) Upon graduation or transfer to another classification, the seniority of the apprentice shall start from the date of the Apprentice Training Agreement or his/her plant seniority date established pursuant to Paragraph (49), whichever is later.

(62r) (11) Any problems involving apprentice related training schedules which cannot be settled by the Apprentice Committee shall not be subject to the grievance procedure. Such problems will be reviewed by the Corporation's Labor Relations Staff.

(62r) (12) Credit for previous related experience in military service, an apprentice training program, or a skilled trades classification in any plant, may be given up to the total time required on any phase of the apprentice shop training or related training schedules. Credit for such previous experience shall be given the apprentice at the time he/she has satisfactorily demonstrated that he/she possesses such previous experience and is able to do the job. Related training credit shall be given the apprentice at the time that he/she has demonstrated that he/she possesses the educational knowledge for which he/she is requesting credit under

the related training schedule. At the time such credit is given, the apprentice's wage rate shall be correspondingly adjusted within the apprentice rate schedule based on the amount of credit given toward completion of the shop training schedule.

(a) Any dispute over such credit shall be referred to the Delphi Labor Relations Staff.

Skilled Trades and Apprentice Committee

(62s) A Skilled Trades and Apprentice Committee will be established composed of three (3) Corporation representatives and three (3) Union representatives. It is agreed it is desirable that one of the Union committee members be a journeyman/woman from the plant and one Corporation committee member be a member of supervision from a department in which skilled trades employees are assigned.

The Committee shall meet at a mutually agreed upon time but not more frequently than once each thirty (30) days. The duties of the Committee shall be as follows:

(1) Review and recommend revisions to the Delphi Automotive Systems Standard Apprentice Plan.

(2) Recommend new apprentice training schedules for classifications in which such schedules are not included in the Delphi Automotive Systems Standard Apprentice Plan.

(3) Review the status of Helper Programs in accordance with Appendix "H".

(4) To deal with other matters concerning apprentice and Skilled Trades sections of the Agreement.

(5) To approve Pre-Apprentice Training Programs and to review and make disposition of other apprentice training matters referred to the Committee by the local Apprentice Committee.

(62t) Upon completion of apprenticeship, a Delphi Automotive Systems Standard Apprentice Plan certificate shall be issued by the Corporation to the apprentice. The local Apprentice Committee will recommend to the Bureau of Apprenticeship and Training, U.S. Department of Labor, or to the State agency, where appropriate, that a certificate signifying completion of the apprenticeship be issued to the apprentice.

(62u) As soon as practicable after being placed in an apprentice group, the apprentice will be furnished an appropriate tool box which will become the property of the apprentice upon graduation. At the same time, and also upon satisfactory completion of the first period of 916 hours of work, he/she will be paid an allowance of \$150.00 for the purchase of tools, books and supplies. Upon satisfactory completion of the second, third, fourth, fifth, sixth and seventh periods of 916 hours of work in the apprentice program, the apprentice will be paid \$100.00 for the purchase of tools, books and supplies. Management will assist the apprentice in obtaining tools. Upon completion of all shop and related training requirements and graduation, the apprentice will receive the balance, if any, of the total allowance of \$1,000.00 less any tool allowance payments previously received.

Wage Rates of "Helpers"

(62v) (1) The wage rate ranges and classifications for Helpers to skilled trades classifications shall be shown in the Helper Wage Schedule Agreement dated December 8, 1999.

(2) Any employee transferred to one of the Helper classifications listed in the foregoing schedule Helper Wage Schedule Agreement will receive not less than the minimum of the established rate range for that Helper classification, or the rate he/she has been earning, whichever rate is higher at the time, except in no event will the rate paid at the time of

transfer exceed the mid-point of the rate range of the "Helper" classification to which he/she is transferred. Such an employee will be granted a rate increase in accordance with the appropriate Helper Wage Schedule only after completing the required number of "weeks worked" which equate with the increment in the Helper Wage Schedule where the employee started.

Any employee hired into a Helper classification will receive not less than the minimum of the established rate range for that classification.

Thereafter, the employee shall be stepped up not less than five cents (5¢) at the conclusion of each twenty-four (24) week period worked for five (5) such periods and then at each twelve (12) week period worked, if retained, until he/she reaches the point in the rate range for the Helper classification in which he/she is working equivalent to the minimum of the rate range of the Skilled classification to which his/her Helper classification attaches.

(3) In computing credit for "weeks worked" for the purposes of Paragraph (62v)(2), the employee shall be credited with all actual hours of work performed, forty (40.0) actual hours equaling "one week worked."

(4) An employee who has been assigned a Helper classification and is later laid off due to a reduction in force, will receive the same level of wage rate he/she had attained prior to such layoff, if recalled to that same Helper classification, provided he/she does not break his/her seniority.

(5) An employee who completes the related training schedule provided for in Paragraph (62w) and who has accumulated experience in one of these Helper classifications for the specified period of time set forth in Appendix "H" for Helpers to qualify for Journeyman/woman status, will be reclassified to Journeyman/woman status provided he/she is currently

assigned a Helper classification and there are no employees with greater seniority than such Helper employee then laid off from the Skilled classification to which said Helper classification attaches.

(6) Upon being reclassified to Journeyman/woman status in accordance with sub-paragraph (5) above, the employee shall receive an increase to not less than the mid-point of the rate range for that job classification.

Related Training - Helpers - to Skilled Trades Classification

(62w) (1) The Corporation has developed related training schedules totaling approximately two hundred seventy-five (275) hours for each of the Helper classifications listed in Paragraph (62v)(1) in which there are then employees working. Exceptions up to a maximum of 375 hours for Helper programs may be jointly recommended by the President of the Local Union and the local plant Management subject to approval of the Delphi Automotive Systems Labor Relations Staff.

(2) An employee who establishes a date of entry into one of the Helper classifications on or after January 22, 1968 shall be required to attend the related training courses established for that classification during the first four (4) years of work as a Helper employee. Removal of an employee from the Helper classification shall be based on the employee's failure or inability to perform the work of the classification in the plant. Failure to attend related training classes or achieve passing grades, will also be cause for removal from the classification after having been counseled to do so.

(3) Time spent by a "Helper" employee in connection with required related training, shall not be considered time worked under this Agreement, nevertheless, time spent by a "Helper" employee in taking

required related training, but not to exceed the hours specified in Paragraph (62w)(1), shall be paid for at the employee's straight time hourly rate.

(4) The Corporation agrees to pay, on behalf of the "Helper" employee covered by this Agreement, registration fees and/or tuition required in connection with related training under this "Helper" program, but not in excess of the hours specified in Paragraph (62w)(1).

(5) The Corporation will periodically notify the President of the Local Union in writing of the names of employees who have been reclassified from a Helper classification to Journeyman/woman status.

General Provisions - Skilled Trades

(62x) (1) Upon becoming classified as a Journeyman/woman, a Seniority B-II employee shall receive a rate not less than the mid-point of the rate range for his/her job classification except that such an employee shall receive the maximum rate of his/her classification within three (3) months from the date on which he/she is so classified or acquires special occupational group seniority, whichever is later.

(62x) (2) The term "journeyman/woman" when used in this Agreement means an employee who: (a) has satisfactorily completed a bonafied apprentice training course with similar standards to the Delphi Apprentice Training Program; or (b) has properly carried such journeyman/woman status in a Delphi Automotive Systems plant; or (c) has been reclassified as a journeyman/woman under the skilled trades section of this Agreement; or, (d) one, newly hired, who meets one of the above alternative requirements or can prove that he/she has worked in the trade at least 8 years. Copies of any documents presented pursuant to this provision will be furnished to the Chairperson of the Shop Committee upon request.

(62x) (3) (a) The Chairperson of the Shop Committee may request the Labor Relations Supervisor to arrange a special conference to hear the skilled trades representative's views concerning problems in connection with work assignments of employees in skilled trades classifications and to discuss the matter. Such special conference will be attended by two committeepersons representing employees in skilled trades classifications, a representative of the section of the Management organization in charge of the skilled trades activity involved, and a representative of Labor Relations. In addition the Chairperson of the Local Shop Committee or the Local Union President and another representative of Management may attend the conference.

(62x) (3) (b) If the matter involves the appropriateness of the work assignment of employees in skilled trades classifications and is resolved, the settlement will be reduced to writing within seven (7) calendar days from the date of the settlement unless otherwise agreed to by the parties. If the matter is not resolved, the Union may reduce the matter to writing in a statement setting forth all the facts and circumstances surrounding the case and the position taken by the Union. The statement will be presented to Management within ten (10) working days of the special conference. Within five (5) working days thereafter, Management will prepare and give to the Union a complete statement of the facts of the case and the reasons for the position taken.

(62x) (3) (c) If in its judgment the matter warrants appeal, the Union may within thirty (30) days of receipt of the statements, appeal the matter to Step Four of the Grievance Procedure.

(62x) (3) (d) If the parties are unable to resolve the case within three (3) months of the date of appeal or any mutual extension of said period, the case may be withdrawn without prejudice by the Union or may

be appealed to the Impartial Umpire for final and binding decision. Upon the submission of a case to the Umpire, the parties will make an effort to provide the Umpire with a jointly agreed upon set of specific criteria to guide his/her decision in each case.

(62y) (1) Employees of an outside contractor will not be utilized in a plant covered by this Agreement to replace seniority employees on production assembly or manufacturing work, or fabrication of tools, dies, jigs, and fixtures, normally and historically performed by them, when performance of such work involves the use of Corporation-owned machines, tools, or equipment maintained by Corporation employees.

(2) The foregoing shall not affect the right of the Corporation to continue arrangements currently in effect; nor shall it limit the fulfillment of normal warranty obligations by vendors nor limit work which a vendor must perform to prove out equipment.

(3) It is the policy of the Corporation to fully utilize its seniority employees in maintenance skilled trades classification in the performance of maintenance and construction work, as set forth in its letter dated May 10, 1982 (Appendix "J") to the Union on this subject.

(4) In all cases, except where time and circumstances prevent it, Management will hold advance discussion with and provide advance written notice to a specified member of the Local Union's Skilled Trades and Apprentice Committee or the District Committeeperson representing Maintenance Department employees who work in the plant located nearest the plant's Main Purchasing Office, and the Chairperson of the Shop Committee, prior to letting a contract for the performance of maintenance and construction work. In this discussion, Management is expected to review its plans or prospects for letting a particular contract. The written notice will describe the nature, scope and approximate dates of the work to be per-

any prior infractions which occurred more than three years previously. Further, Management will eliminate from an employees record any infraction where there was a lapse of time of greater than 18 months between infractions provided the employee has not been on leave of absence the majority of the time between the infractions. Also Management will not impose discipline on an employee for falsification of his/her employment application after a period of twelve (12) months from his/her date of hire.

(65) It is important that complaints regarding unjust or discriminatory layoffs or discharges be handled promptly according to the Grievance Procedure. Such grievances must be filed within three (3) working days of the date of notification of the extent of the penalty layoff or of notification of discharge. The answer will be given within one (1) working day. If not satisfactorily settled, it may be appealed in line with Step Three of the Grievance Procedure.

(66) Any employee who is removed from his/her work and taken to an office for interview will be advised that he/she may, if he/she so desires, call the committeeperson for his/her district to be present with him/her during such interview. The committeeperson, however, will be present as a witness for the employee, and to represent him/her if the employee has a grievance as a result of the interview.

STANDARDS OF PRODUCTION

(67) The standards of production shall be established by Management on the basis of fairness and equity consistent with the quality of workmanship, efficiency of operations and the reasonable working capacities of normal operators.

(68) When a dispute arises regarding the standards of production established or changed by Management, the complaint should be taken up with the grievant's

Straight Time

(83) Employees will be compensated at straight time for hours worked except as otherwise provided in this Working Hours Section.

Time and One-Half

(84a) Employees will be compensated at the rate of time and one-half for hours worked in excess of eight (8) hours worked at straight time within any continuous twenty-four (24) hour period which shall begin at the time the employee first starts to work at straight time or, if tardy, the time he/she should have started to work at straight time, whichever is earlier, on any calendar day. In the event Management grants permission at the employee's own request to transfer from one shift to another, time and one-half shall not be paid.

(84b) Employees will be compensated at the rate of time and one-half for hours worked on Saturday except as provided in Paragraph (86a).

(84c) Time and one-half shall be paid for those hours worked on a day following a holiday or a Sunday which are in excess of eight (8) hours worked on such holiday or Sunday but within the same twenty-four (24) hour period beginning with the time the employee started to work on such holiday or Sunday, or, if tardy, when he/she should have started to work on such holiday or Sunday, whichever is earlier.

Double Time

(85) Employees will be compensated at the rate of double time as follows:

(85a) For hours worked on Sunday and on each holiday specified in Paragraph (101).

Exceptions to Above Overtime Payment

(86a) Employees working in necessary continuous seven-day operations whose occupations involve work

on Saturdays and Sundays shall be paid time and one-half for work on these days only for time worked in excess of eight hours per day or in excess of forty hours in the employee's working week, for which overtime has not already been earned, except as otherwise provided in Paragraph (1) below:

(1) Such employees shall be paid time and one-half for hours worked on the employee's sixth work day in the week.

(2) Such employees shall be paid double time for hours worked on the seventh work day in the calendar week if the seventh work day results from the employee being required to work on his/her scheduled off day(s) in that calendar week, or for hours worked on a Sunday if that Sunday is his/her second scheduled off day in that calendar week.

(3) Such employees will be paid double time and one-half (2.50 times straight time) for the first eight (8) hours worked on any shift that starts on any of the holidays listed in Paragraph (85a); for time worked on the calendar holiday in excess of the first eight (8) hours worked on any shift that starts on any such holiday; and for time worked on the calendar holiday in excess of eight (8) hours worked on a shift which starts the previous day and runs over into any such holiday; provided, however, that if the particular holiday falls on the employee's regularly scheduled off day(s) and he receives holiday pay pursuant to Paragraph (101d) of this Agreement, he/she will be paid double time instead of double time and one-half for such hours worked. In the case of employees who work 6 or 7 days during the work week, the first eight (8) hours worked at double time and one-half or double time, as the case may be, on shifts starting on such holidays shall be counted in computing overtime for work in excess of 40 hours in the employee's working week.

(4) Such employees will be paid time and one quarter (1.25 times straight time) for hours worked on the seventh work day in the calendar week beginning Monday, unless such hours are payable at an overtime premium rate under any other provisions of this Agreement.

(5) If such an employee receives holiday pay pursuant to Paragraph (101d) for a particular holiday on which he/she does not work, that holiday will be counted as a day worked for the purpose of computing six or seven day premium under sub-paragraphs (1), (2) and (4) above.

Additional Payment

(86b) Employees working in necessary continuous seven-day operations, as defined in Paragraph (86a), shall be paid an additional twenty-five (\$.25) cents per hour for all time worked while so assigned which shall be included in computing vacation entitlement pay, Independence Week shutdown pay, holiday pay, bereavement pay, jury duty pay, short-term military duty pay, overtime and night shift premium.

Non-Duplication

(87) Premium payments shall not be duplicated for the same hours worked under any of the terms of this working hours section.

SHIFT ASSIGNMENTS

(88) Within practical limitations, employees with longest seniority within their job classifications will be assigned to the most desirable shift. Therefore, in determining the employee's shift, providing all other factors are equal and there is no resulting loss in efficiency of operation or quality of workmanship, seniority will prevail. However, due to the various factors

five (5) days of the calendar week (Monday through Friday). Payments as provided herein will be made promptly consistent with the computational requirements in each instance.

Following computation of each such adjustment, the Union, upon request, will be furnished a listing containing the name of each employee to whom the Corporation will make payment and the amount of payment.

(92a) The President of the Local Union will be permitted entry into the plant for the purpose of reviewing the new job classification and rate which has been submitted by the Corporation to negotiations as outlined in Paragraph (91). A member of the local Union who is an employee of the Corporation or the Local Union Vice President may accompany the President during such visit. The Local Union Vice President may be substituted for the President during such visit. Such entry will occur only after the following procedure has been complied with:

(1) The arrangement for entry into the plant must be made with local Management previous to the date such entry is desired. This may be made verbally. The name of the other local Union member who is to accompany either the President or the Vice President, as the case may be, will also be submitted at this time.

(2) A time during regular working hours which is mutually agreeable for such visit will be arranged.

(3) Management representatives may accompany the President or Vice President and local Union member during such visit.

(93a) General Increases. Effective September 20, 1999, September 18, 2000, September 17, 2001, and September 16, 2002 each employee covered by this

agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost of living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

<u>Straight Time</u> <u>Hourly</u> <u>Wage Rates</u>	<u>Improvement</u> <u>Factor Increases</u>
Less than - 10.83	32¢
10.84 - 11.16	33¢
11.17 - 11.49	34¢
11.50 - 11.83	35¢
11.84 - 12.16	36¢
12.17 - 12.49	37¢
12.50 - 12.83	38¢
12.84 - 13.16	39¢
13.17 - 13.49	40¢
13.50 - 13.83	41¢
13.84 - 14.16	42¢
14.17 - 14.49	43¢
14.50 - 14.83	44¢
14.84 - 15.16	45¢
15.17 - 15.49	46¢
15.50 - 15.83	47¢
15.84 - 16.16	48¢
16.17 - 16.49	49¢
16.50 - 16.83	50¢
16.84 - 17.16	51¢
17.17 - 17.49	52¢
17.50 - 17.83	53¢
17.84 - 18.16	54¢
18.17 - 18.49	55¢
18.50 - 18.83	56¢
18.84 - 19.16	57¢

<u>19.17 - 19.49</u>	<u>58¢</u>
<u>19.50 - 19.83</u>	<u>59¢</u>
<u>19.84 - 20.16</u>	<u>60¢</u>
<u>20.17 - 20.49</u>	<u>61¢</u>
<u>20.50 - 20.83</u>	<u>62¢</u>
<u>20.84 - 21.16</u>	<u>63¢</u>
<u>21.17 - 21.49</u>	<u>64¢</u>
<u>21.50 - 21.83</u>	<u>65¢</u>
<u>21.84 - 22.16</u>	<u>66¢</u>
<u>22.17 - 22.49</u>	<u>67¢</u>
<u>22.50 - 22.83</u>	<u>68¢</u>
<u>22.84 - 23.16</u>	<u>69¢</u>
<u>23.17 - 23.49</u>	<u>70¢</u>
<u>23.50 - 23.83</u>	<u>71¢</u>
<u>23.84 - 24.16</u>	<u>72¢</u>
<u>24.17 - 24.49</u>	<u>73¢</u>
<u>24.50 - 24.83</u>	<u>74¢</u>
<u>24.84 - 25.16</u>	<u>75¢</u>
<u>25.17 - 25.49</u>	<u>76¢</u>
<u>25.50 - 25.83</u>	<u>77¢</u>
<u>25.84 - 26.16</u>	<u>78¢</u>
<u>26.17 - 26.49</u>	<u>79¢</u>
<u>26.50 - 26.83</u>	<u>80¢</u>
<u>26.84 - 27.16</u>	<u>81¢</u>
<u>27.17 - 27.49</u>	<u>82¢</u>
<u>27.50 - 27.83</u>	<u>83¢</u>
<u>27.84 - 28.16</u>	<u>84¢</u>
<u>28.17 - 28.49</u>	<u>85¢</u>
<u>28.50 - 28.83</u>	<u>86¢</u>
<u>28.84 - 29.16</u>	<u>87¢</u>
<u>29.17 - 29.49</u>	<u>88¢</u>
<u>29.50 - 29.83</u>	<u>89¢</u>
<u>29.84 - 30.16</u>	<u>90¢</u>

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

The wage increase provided above shall be paid retroactively for all hours worked on and after September 20, 1999, provided however, that for purpose of applying Exhibits A, B, D and E, attached hereto, and letter agreements with respect thereto, the wage rate of an employee shall not be increased by such wage increase prior to the effective date of this Agreement.

Cost of Living Allowance

(94a) Each employee covered by this Agreement shall receive a Cost of Living Allowance in accordance with the provisions of Paragraphs (94c) and (94f).

(94b) It is agreed that only the Cost of Living Allowance will be subject to reduction so that, if a sufficient decline in the cost of living occurs, employees will immediately enjoy a better standard of living.

(94c) The Cost of Living Allowance provided for in Paragraph (94a) shall be added to each employee's straight time hourly rate and will be adjusted up or down as provided in Paragraphs (94e) and (94f).

(94d) The Cost of Living Allowance will be determined in accordance with changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (revised CP1-W) (United States City Average) published by the Bureau of Labor Statistics (1967=100).

(94e) Effective with the date of this Agreement, but after the application of the wage increase provided in Paragraph (93a), \$.85 shall be deducted from the \$.90 Cost of Living Allowance in effect immediately prior to that date and \$.85 shall be added to the base wage rates (minimum, intermediary and maximum) for each classification in effect on that date. Thereafter during the period of this Agreement, adjustments in the Cost of Living Allowance shall be made at the following times:

Effective Date of Adjustment	Based Upon Three- Month Average of the Consumer Price Index For
December <u>6</u> , 1999	August, September, October 1999
First Pay Period beginning on or after: March 1, <u>2000</u> and at three-calendar month intervals thereafter	November, December, 1999 and January <u>2000</u> and at three-calendar month intervals thereafter to February, March, April <u>2003</u> . to June 1, <u>2003</u> .

In determining the three-month average of the indexes for a specified period, the computed average shall be rounded to the nearest 0.1 Index Point.

In no event will a decline in the three-month Combined Consumer Price Index below 484.1 provide the basis for a reduction in the wage scale by job classification.

(94f) The amount of the Cost of Living Allowance shall be five cents (5¢) per hour effective with the effective date of this Agreement and ending December 5, 1999. Effective December 6, 1999, and for any period thereafter as provided in Paragraphs (94b) and (94e), the Cost of Living Allowance shall be in accordance with the following table:

Three-Month Average Consumer Price Index	Cost-of-Living Allowance
<u>484.1</u> or less	None
<u>484.2</u> - <u>484.4</u>	1¢ per hour
<u>484.5</u> - <u>484.6</u>	2¢ per hour
<u>484.7</u> - <u>484.9</u>	3¢ per hour
<u>485.0</u> - <u>485.2</u>	4¢ per hour
<u>485.3</u> - <u>485.4</u>	5¢ per hour
<u>485.5</u> - <u>485.7</u>	6¢ per hour
<u>485.8</u> - <u>485.9</u>	7¢ per hour
<u>486.0</u> - <u>486.2</u>	8¢ per hour
<u>486.3</u> - <u>486.4</u>	9¢ per hour

And so forth with 1¢ adjustment for each 0.25 change in the Average Index and will be calculated in accordance with the Letter of Understanding signed by the parties.

(94g) The amount of any Cost of Living Allowance in effect at the time shall be included in computing overtime premium, night shift premium, vacation payments, Independence Week shutdown pay, holiday payments, call-in pay, bereavement pay, jury duty pay and short term military duty pay.

(94h) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in Paragraph (94e), any adjustments in the Cost of Living Allowance required by such appropriate index shall be effective at the beginning of the first pay period after receipt of the index.

(94i) No adjustments, retroactive or otherwise, shall be made due to any revision which may later be made in the published figures used in the calculation of the Consumer Price Index for any month or months specified in Paragraph (94e).

(94j) The parties to this Agreement agree that the continuance of the Cost of Living Allowance is dependent upon the availability of the monthly Consumer Price Index published by the Bureau of Labor Statistics in its present form and calculated on the same basis as the current Index unless otherwise agreed upon by the parties. If the Bureau of Labor Statistics changes the form or the basis of calculating the Consumer Price Index, the parties agree to request such agency to make available, for the life of this Agreement, a monthly Consumer Price Index in its present form and calculated on the same basis as the Index was prior to such change.

(95) New employees hired on or after the effective date of this agreement, who do not hold a seniority date in any Delphi Automotive Systems plant which

predates such effective date, shall be hired at a rate equal to seventy (70) percent of the maximum base rate of the job classification. Such employees shall receive an automatic increase to:

- (1) Seventy-five (75) percent of the maximum base rate of the job classification at the expiration of twenty-six (26) weeks.
- (2) Eighty (80) percent of the maximum base rate of the job classification at the expiration of fifty-two (52) weeks.
- (3) Eighty-five (85) percent of the maximum base rate of the job classification at the expiration of seventy-eight (78) weeks.
- (4) Ninety (90) percent of the maximum base rate of the job classification at the expiration of one hundred and four (104) weeks.
- (5) Ninety-five (95) percent of the maximum base rate of the job classification at the expiration of one hundred and thirty (130) weeks.
- (6) The maximum base rate of the job classification at the expiration of one hundred and fifty-six (156) weeks.

Such an employee who is laid off prior to having attained the maximum base rate of the job classification and who is re-employed within one year from the last day worked prior to layoff in the case of an employee who had not previously acquired seniority, or within one year from the date that his/her seniority was broken pursuant to the provisions of Paragraph (51e)(1), shall receive a rate upon re-employment which has the same relative position to the maximum base rate of the job classification as had been attained by the employee prior to layoff. Upon such re-employment, the credited rate progression period of the employee's prior period of employment shall be applied toward his/her rate progression to the maximum base rate of the job classification.

For the purpose of applying the provisions of this Paragraph only, an employee will receive one week's credit toward acquiring the maximum base rate of the job classification provided the employee had worked in that given week. Credit will not be given for any week during which for any reason the employee does not work except as provided in Paragraph (105g) and when the Christmas Holidays consists of a full week, and the Independence Week shutdown provided the employee would otherwise have been scheduled to work. Notwithstanding other provisions of this Agreement, full weeks of time lost for vacation during the Plant Vacation Shutdown Week, bereavement, military duty and Family Medical Leave Act, if the employee would otherwise have been scheduled to work, will be considered as time worked. Each increase shall be effective at the beginning of the first pay period following the completion of the required number of weeks of employment.

(95a) The foregoing Paragraph (95) shall not apply to skilled trades job classifications.

WAGE RATE PROGRESSION

(96) It is understood that local wage agreements consist of the wage scale by job classification as were in effect as of the effective date of this Agreement, plus any written changes, additions or supplements thereto. Any changes, additions or supplements thereto shall be reduced to writing and are subject to the approval of the Corporation.

(97) Wage progression rules within the wage scales of job classifications is a matter of local negotiation and shall be reduced to writing and included as a part of the local wage agreement.

In the application of this paragraph, if an employee does not have a telephone number listed with the Corporation in compliance with and for the purposes of Paragraph (98a)(2) above, there shall, except in those cases where it is known before the end of the shift there will be no work for an employee on his/her next regular shift and the employee is not so notified, be no requirement to pay such employee call-in pay under any of the provisions of this Paragraph (98a), although the Corporation may provide proper notification by telegram or mail service if sufficient time is available and if conditions otherwise permit.

(98b) Sent home before having worked four (4) hours. If an employee is late he/she will be paid from the time he/she rings in until four (4) hours after the regular starting time of his/her shift.

NIGHT SHIFT PREMIUM

(99) A night shift premium of 5% of night shift earnings, including overtime premium pay, will be paid to employees working on a shift scheduled to start on or after 10:30 A.M., but before 6:30 P.M. A night shift premium of 10% of night shift earnings, including overtime premium pay, will be paid to employees working on a shift scheduled to start on or after 6:30 P.M., but before 4:15 A.M.

When an employee whose normal shift begins on or after 4:15 A.M. and before 10:30 A.M. is scheduled to work twelve (12) or more hours, he/she shall be paid a five (5) percent shift premium for all hours worked in excess of eight (8).

When an employee whose normal shift begins on or after 10:30 A.M. and before 6:30 P.M. is scheduled to work more than nine (9) hours and until or beyond 2:00 A.M. he/she shall be paid ten (10) percent shift premium for the hours worked after 12:00 midnight.

(100) For the purpose of calculating shift premium, overtime on a regularly scheduled shift shall be considered as part of that shift.

HOLIDAY PAY

(101) Employees shall be paid for specified holidays and the holidays in each of the Christmas holiday periods as provided hereinafter:

1st Year

November 15, 1999 Veterans' Day (Observed)

November 25, 1999 Thanksgiving

November 26, 1999 Day after Thanksgiving

December 24, 1999

December 27, 1999

December 28, 1999

December 29, 1999

December 30, 1999

December 31, 1999

} Christmas Holiday Period

January 17, 2000 Martin Luther King, Jr. Day

April 21, 2000 Good Friday

April 24, 2000 Day after Easter

May 26, 2000 Friday before Memorial Day

May 29, 2000 Memorial Day

(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),

July 4, 2000 Independence Day

September 4, 2000 Labor Day

2nd Year

November 7, 2000 Federal Election Day

November 17, 2000 Veterans' Day (Observed)

November 23, 2000 Thanksgiving

November 24, 2000 Day after Thanksgiving

December 25, 2000
December 26, 2000
December 27, 2000
December 28, 2000
December 29, 2000
January 1, 2001 } Christmas Holiday Period
January 15, 2001 Martin Luther King, Jr. Day
April 13, 2001 Good Friday
April 16, 2001 Day after Easter
May 28, 2001 Memorial Day
(or one other such holiday of greater local importance
which must be designated in advance by mutual agree-
ment locally in writing),
July 4, 2001 Independence Day
September 3, 2001 Labor Day

3rd Year

November 16, 2001 Veterans' Day (Observed)
November 22, 2001 Thanksgiving
November 23, 2001 Day after Thanksgiving
December 24, 2001
December 25, 2001 } Christmas Holiday Period
December 26, 2001
December 27, 2001
December 28, 2001
December 31, 2001
January 1, 2002
January 21, 2002 Martin Luther King, Jr. Day
March 29, 2002 Good Friday
April 1, 2002 Day after Easter
May 27, 2002 Memorial Day
(or one other such holiday of greater local
importance which must be designated in advance by
mutual agreement locally in writing),
July 4, 2002 Independence Day
August 30, 2002 Friday before Labor Day
September 2, 2002 Labor Day

4th Year

<u>November 5, 2002</u>	<u>Federal Election Day</u>
<u>November 15, 2002</u>	<u>Veterans' Day</u>
<u>November 28, 2002</u>	<u>Thanksgiving</u>
<u>November 29, 2002</u>	<u>Day after Thanksgiving</u>
<u>December 23, 2002</u>	} <u>Christmas Holiday Period</u>
<u>December 24, 2002</u>	
<u>December 25, 2002</u>	
<u>December 26, 2002</u>	
<u>December 27, 2002</u>	
<u>December 30, 2002</u>	
<u>December 31, 2002</u>	
<u>January 1, 2003</u>	
<u>January 20, 2003</u>	<u>Martin Luther King, Jr. Day</u>
<u>April 18, 2003</u>	<u>Good Friday</u>
<u>April 21, 2003</u>	<u>Day after Easter</u>
<u>May 26, 2003</u>	<u>Memorial Day</u>
<u>(or one other such holiday of greater local</u>	
<u>importance which must be designated in advance by</u>	
<u>mutual agreement locally in writing).</u>	
<u>July 4, 2003</u>	<u>Independence Day</u>
<u>September 1, 2003</u>	<u>Labor Day</u>

providing they meet all of the following eligibility rules unless otherwise provided herein:

(101a) (1) The employee has seniority as of the date of each specified holiday and as of each of the holidays in each of the Christmas holiday periods, and

(2) The employee would otherwise have been scheduled to work on such day if it had not been observed as a holiday, and

(3) The employee must have worked the last scheduled work day prior to and the next scheduled work day after each specified holiday within the employee's scheduled work week

For each Christmas holiday period, the employee must have worked the last scheduled work day prior to each holiday period and the next scheduled work day after each holiday period. Failure to

work either the last scheduled work day prior to or the next scheduled work day after each Christmas holiday period will disqualify the employee for the one holiday in the Christmas holiday period which follows or precedes such scheduled work day.

An employee who retires as of January 1, and who is otherwise eligible for holiday pay for those holidays falling in the Christmas holiday period up to and including December 31, will receive holiday pay for such holiday.

Each of the designated days in the Christmas holiday period shall be a holiday for purposes of this Holiday Pay Section.

(101) (3) In order for employees to have maximum time off during the Christmas Holiday Period, employees will only be scheduled for work on the following days, which are not paid holidays under this Agreement, on a voluntary basis, except in emergency situations:

Saturday, December 25, 1999
Sunday, December 26, 1999
Saturday, January 1, 2000
Sunday, January 2, 2000

Saturday, December 23, 2000
Sunday, December 24, 2000
Saturday, December 30, 2000
Sunday, December 31, 2000

Saturday, December 22, 2001
Sunday, December 23, 2001
Saturday, December 29, 2001
Sunday, December 30, 2001

Saturday, December 21, 2002
Sunday, December 22, 2002
Saturday, December 28, 2002
Sunday, December 29, 2002

An employee shall not be disqualified for holiday pay if he/she does not accept work on such days. This does not apply to employees on necessary continuous seven day operations.

(101b) When a holiday falls on Saturday, eligible employees shall receive holiday pay provided they have worked the last preceding scheduled work day within the week in which that holiday falls.

(101c) (1) An employee eligible for holiday pay under these provisions shall receive eight (8) hours pay for each of the holidays specified in Paragraph (101), computed at their regular straight time hourly rate, exclusive of overtime premium.

(101c) (2) For holidays specified in Paragraph (101), an eligible employee shall have the night shift premium rate which attached to the straight time hours on his/her last straight time day worked preceding the holiday included in the computation of holiday pay paid pursuant to Paragraph (101c)(1).

(101d) Employees whose work is covered by Paragraph (86a) of this Agreement - that is, employees who are working on necessary continuous seven-day operations shall receive holiday pay only in the event the holiday falls on one of their regularly scheduled days off, and they meet the other eligibility requirements of this Holiday Pay Section; provided however, that such employees shall not receive holiday pay if they are scheduled to work on such day off and absent themselves from scheduled work on such holiday without reasonable cause acceptable to Management.

(101e) Employees of Delphi Energy and Chassis Systems, Delphi Automotive Systems, who obtain employment in another Delphi Automotive Systems plant will be eligible for holiday pay during their probationary period provided they have seniority in the home plant as of the date of the holiday and they are otherwise eligible under the terms of these provisions on holiday pay.

(101f) A seniority employee who has been laid off due to reduction of force (except as provided below), or who has gone on sick leave, or on leave of absence for Military Service or on a leave for family and medical reasons, during the work week prior to or during the week in which the holiday falls, shall receive pay for such holiday.

A seniority employee who works in the fourth work week prior to the week in which the Christmas holiday period begins, and who is laid off in a reduction in force during that week, or a seniority employee who is laid off in a reduction in force during the first, second or third work week prior to or during the work week in which the Christmas holiday period begins, shall, if otherwise eligible, receive pay for each of the holidays in the Christmas holiday period providing such employee worked the last scheduled work day prior to such layoff.

A seniority employee who works in the fifth, sixth, or seventh workweek prior to the week in which the Christmas holiday period begins, and who is laid off due to reduction in force during that week, shall, if otherwise eligible, receive pay for one-half of the holidays falling during such Christmas holiday period providing such employee worked the last scheduled work day prior to such layoff.

(101g) An employee who has been laid off because of model change, plant re-arrangement or inventory shall be eligible for holiday pay under these holiday provisions for a specified holiday falling within the period of such layoff, provided he/she meets all the following eligibility rules:

(1) The employee has seniority as of the date of the holiday.

(2) The employee is ineligible for holiday pay for the holiday under the other provisions of this Holiday Pay Section.

(3) The employee returns to work during the work week in which the holiday falls or during the work week immediately following the work week in which the holiday falls.

(4) The employee works the first day he/she is scheduled to work following the holiday.

(101h) When a holiday specified above falls within an eligible employee's approved vacation period or during a period in which he/she received jury duty pay pursuant to Paragraph (126) of this Agreement and he/she is absent from work during his/her regularly scheduled work week because of such vacation or jury duty, he/she shall be paid for such holiday.

(101i) When an eligible employee is on an approved leave of absence and returns to work following the holiday but during the week in which the holiday falls, he/she shall be eligible for pay for that holiday. An eligible employee whose leave of absence terminates during the Christmas holiday period, and who reports for work on the next scheduled work day after the Christmas holiday period, will be eligible for holiday pay beginning with the first holiday the employee would otherwise have worked and each holiday thereafter in the Christmas holiday period.

(101j) Employees assigned to work on a holiday who fail to report for and perform such work without reasonable cause acceptable to Management shall not receive pay for the holiday.

(101k) When any of the above enumerated holidays falls on Sunday and the day following is observed as the holiday by the State or Federal Government, the day of observance shall be considered as the holiday under the provisions of this Holiday Pay Section.

(101l) It is the purpose of the Holiday Pay provisions in Paragraph (101) through (101k) of this Agreement to enable eligible employees to enjoy the specified

holidays with full straight time pay. If, with respect to a week included in the Christmas holiday period, an employee supplements his/her Holiday Pay by claiming and receiving an unemployment compensation benefit, or claims and receives waiting period credit, to which he/she would not have been entitled if his/her Holiday Pay had been treated as remuneration for the week, the employee shall be obligated to pay the Corporation the lesser of the following amounts:

(1) an amount equal to his/her Holiday Pay for the week in question, or,

(2) an amount equal to either the unemployment compensation paid to him/her for such week or the unemployment compensation which would have been paid to him/her for such week if it had not been a waiting period.

The Corporation will deduct from earnings subsequently due and payable the amount which the employee is obligated to pay as provided above.

LEAVES OF ABSENCE

Informal Leave of Absence

(102) A leave of absence may be granted for personal reasons for a period not to exceed thirty (30) days, upon application of the employee to and approval by his/her advisor.

(103) Such leaves of absences shall not be renewed and seniority will accumulate during the leave.

Formal Leave of Absence for Personal Reasons

(104a) Employees requesting formal leave of absence shall first make application in writing to their advisor on the form provided. Such leave of absence may be granted to an employee for not more than ninety (90) days on approval of the Management when the services of the employee are not immediately re-

able hours equalization may be negotiated locally. Such agreements, modifications or supplements thereto shall be reduced to writing and be subject to the approval of the Corporation.]

UNION BULLETIN BOARDS

(115) The Corporation will erect bulletin boards which may be used for the posting of Union notices. Notices to be posted are subject to approval by the Management and are restricted to:

(a) Notices of Union recreational and social affairs.

(b) Notices of Union elections.

(c) Notices of Union appointments and results of Union elections.

(d) Notices of Union meetings.

(e) Other notices concerning bonafied Union activity such as cooperatives, Credit Unions, Unemployment Compensation information.

(f) Other notices concerning Union affairs that are not political or controversial in nature.

(116) The Union will promptly remove from such Union Bulletin Boards, upon the written request of Management, any material which is libelous, scurrilous, or detrimental to the labor-management relationship.

(117) The number and location of bulletin boards will be decided by the Management and the Local Union President or his/her designated representative, provided such individual is an employee on the active payroll of or on leave of absence for Union activity from the Corporation.

(118) There shall be no other posting by employees of pamphlets, advertising or political matter, notices, or any kind of literature upon Corporation property.

VACATION ENTITLEMENT

(119) The Vacation Entitlement provisions of this section shall apply during the remainder of the term of this Agreement.

(119a) Effective January 1, 1994, the eligibility date for vacation entitlement for all seniority employees is December 31.

(119b) Each "eligibility year" shall begin with the first pay period following the pay period containing December 31 of the previous year and end with the pay period in which December 31 falls.

(119c) An employee shall become eligible for a vacation entitlement as hereinafter defined, provided he/she has at least one year's seniority as of December 31 of the eligibility year and has worked during at least 13 pay periods during his/her eligibility year. Without modifying or adding to any other provision of the Vacation Entitlement Section, an employee who has seniority but has not acquired one year's seniority as of December 31 shall nevertheless become eligible for a percentage of 40 hours of vacation pay pursuant to Paragraphs (119h) and 119k).

(119d) In determining the number of pay periods an employee shall have worked in the eligibility year, the employee shall be credited with one pay period for each pay period in which the employee performs work in any Delphi Automotive Systems plant during that year.

(119e) For the purpose of this Vacation Entitlement Section only, a pay period during which an employee qualifies for pay pursuant to Paragraph (119l), Paragraphs (101) through (101l) for holidays falling within the Christmas Holiday Period, Paragraph (126), Paragraph (126a), Paragraph (126b) or the Independence Week shutdown shall be counted as a pay period worked. A laid off employee who receives pay for a designated holiday shall receive credit for the

pay period in which the holiday falls as a pay period worked.

(119f) An employee whose seniority at a Delphi Automotive Systems plant (base plant) is hereafter broken:

(1) pursuant to Paragraph (51d) or (62d)(4) because he/she elected to remain at the Delphi Automotive Systems plant in which he/she is working, or

(2) pursuant to Paragraph (51e), shall have his/her vacation entitlement computed as though his/her seniority at the base plant had not been broken, provided, (1) he/she continuously holds seniority at a Delphi Automotive Systems plant(s), or (2) he/she is hired at a Delphi Automotive Systems plant before his/her seniority at a prior plant is broken and he/she acquires seniority at the plant where hired within the next six (6) continuous months, and he/she thereafter continuously holds seniority at a Delphi Automotive Systems plant(s).

(119g) An eligible employee who has worked at least 26 pay periods in his/her eligibility year shall be entitled to the following vacation entitlement:

For an Eligible Employee With Seniority of	Hours of Vacation Entitlement
Less than One Year	40
One but less than three years	80
Three but less than five years	100
Five but less than ten years	120
Ten but less than fifteen years	140
Fifteen but less than twenty years	160
Twenty or more years	200

(119h) An eligible employee shall be entitled to a percentage of vacation entitlement shown in Paragraph (119g) based on the number of pay periods he/she works in his/her eligibility year, in accordance with the following:

Pay Periods Worked	Percentage of Hours of Vacation Entitlement
26	100%
25	96%
24	92%
23	88%
22	84%
21	80%
20	76%
19	73%
18	69%
17	65%
16	61%
15	57%
14	53%
13	50%

(119i) An eligible employee who, at the time of the eligibility date, has not used the entire vacation entitlement provided for in Paragraph (119g) shall receive a payment in lieu of vacation time off for the unused portion at the rate established in accordance with Paragraph (119j).

(119j) Vacation time off payments will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, as of the employee's last day worked prior to the approved vacation time off period for vacation with pay. Payment of the unused portion, if any, of Vacation Entitlement will be calculated on the basis of the employee's rate of pay plus the attached night shift premium but not including overtime premium, as of the last day worked prior to the eligibility date or

the last day worked prior to December 15, whichever produces the higher rate.

(119k) Payment of the unused portion, if any, of the employee's vacation entitlement, shall be made as soon as possible but not later than thirty (30) days after the eligibility date.

(119l) Eligible employees may use 40 hours of their vacation entitlement during the eligibility year provided their absence from work is for not less than four (4) continuous hours and is excused for illness (when not receiving Sickness and Accident benefits), or personal business, or a leave of absence for vacation purposes.

Absences for "any personal reason" will be excused provided that: (a) the employee makes written request on a form provided by Management in accordance with the procedure established by Management; (b) there will be no adverse impact on the operations involved and if more than one employee is requesting the same day this will be taken into consideration in determining the operational impact; and (c) if more employees working for the same supervisor request the same day off than can be accommodated, priority of request will be considered in accordance with Corporation practice.

(119m) Employees who retire or are retired under the provisions of the Delphi Automotive Systems Hourly Rate Employees Pension Plan shall receive vacation entitlement in accordance with Paragraph (119h) if the employee has worked at least 13 pay periods in the eligibility year in which they retire or one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (119u) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they retire.

(119n) Employees who are placed on or return from a Leave of Absence for Military Service pursu-

ant to the provision of Paragraph (112), shall receive vacation entitlement in accordance with Paragraph (119h) if the employee has worked at least 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service, or one twenty-sixth (1/26) of the vacation entitlement provided for in Paragraph (119u) for each pay period worked within the eligibility year if they have worked less than 13 pay periods in the eligibility year in which they are placed on or return from a Leave of Absence for Military Service.

(119o) Employees disabled from working by compensable injury or legal occupational disease shall receive credit toward pay periods worked under this Vacation Entitlement Section for pay periods they would otherwise have been scheduled to work during the period of compensable disability, provided they worked during at least one (1) pay period in the eligibility year and are otherwise eligible for a vacation entitlement.

(119p) In the case of an employee who has worked during at least 13 pay periods in the eligibility year and who voluntarily quits or dies prior to the eligibility date, the vacation entitlement to which the employee would have been entitled had the employee lived, based on the number of pay periods worked, shall be paid to the employee or in the event of death, the employee's duly appointed legal representative, if there is one, and, if not, to the spouse, parents, children, or other relative or dependents of such person as the Corporation in its discretion may determine.

(119q) The vacation entitlement of an employee who holds seniority in two or more Delphi Automotive Systems plants will be computed on the basis of the longest seniority held as of the eligibility date.

(119r) In the case of an employee who goes on sick leave during one eligibility year after having worked less than 13 pay periods in that year and who

retires during his/her next eligibility year under the provision of the Delphi Automotive Systems Hourly-Rate Employees Pension Plan before returning to work, his/her retirement, for the purpose of this Vacation Entitlement Section only, shall be deemed to have occurred as of the day following his/her last day worked.

(119s) When a person is transferred into a bargaining unit covered by this Agreement the amount of vacation entitlement the employee may become eligible for shall be reduced by the amount of any paid vacation or pay in lieu of taking vacation which the employee has already received from the Corporation for the same eligibility year.

VACATION TIME OFF PROCEDURE

(119t) Management recognizes the desirability of providing vacation time off with pay, up to the vacation entitlement to which the employee's seniority will entitle them on December 31 of the current year, in a manner that preserves the maintenance of efficient operations while giving consideration to the desires of the employees.

(119u) During each year of this Agreement, the Corporation has designated the following days to be included in an Independence Week Shutdown period:

2000

Monday, July 3 - Independence Week Shutdown Day
Wednesday, July 5 - Independence Week Shutdown Day
Thursday, July 6 - Independence Week Shutdown Day
Friday, July 7 - Independence Week Shutdown Day

2001

Monday, July 2 - Independence Week Shutdown Day
Tuesday, July 3 - Independence Week Shutdown Day
Thursday, July 5 - Independence Week Shutdown Day
Friday, July 6 - Independence Week Shutdown Day

2002

Monday, July 1 - Independence Week Shutdown Day
Tuesday, July 2 - Independence Week Shutdown Day
Wednesday, July 3 - Independence Week Shutdown Day
Friday, July 5 - Independence Week Shutdown Day

2003

Monday, June 30 - Independence Week Shutdown Day
Tuesday, July 1 - Independence Week Shutdown Day
Wednesday, July 2 - Independence Week Shutdown Day
Thursday, July 3 - Independence Week Shutdown Day

(119v) During February of each year, the local Management will notify the President of its decision to schedule the week before or the week after the Independence Week Shutdown period as a Plant Vacation Shutdown Week.

(119w) In addition during February of each year, the local Management will notify the President which productive operations, if any, will be scheduled to operate during the Independence Week Shutdown Period and which productive operations, if any, will be scheduled to operate during the Plant Vacation Shutdown Week. Unforeseen circumstances may require subsequent changes in these announced schedules and will be reviewed with the Shop Committee as soon as is practicable.

(119x) Employees who are not scheduled to work during any portion of the Independence Week Shutdown Period shall be paid up to eight (8) hours of pay for each of the Independence Week Shutdown Period days they are not scheduled to work, up to a maximum of thirty-two (32) hours, which will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, as of the employee's last day worked prior to the Independence Week Shutdown period provided:

(1) The employee has seniority in any Delphi Automotive Systems plant as of the date of each of the Independence Week Shutdown Days.

APPENDIX "L"

MEMORANDUM OF UNDERSTANDING JOB SECURITY (JOBS) PROGRAM

The Corporation and the Union are committed to enhancing the job security of Delphi Automotive Systems employees. Such job security can only be realized within a work environment which promotes operational effectiveness, continuous improvement and competitiveness.

Accordingly, the parties have agreed to this JOBS Program, and have pledged to work together, consistent with this Program and other provisions of the Agreement to enhance the Corporation's competitive position.

The cornerstone of the JOBS Program is a commitment to protection against indefinite layoff for eligible employees as expressly provided herein.

I. SCOPE OF THE PROGRAM - The Corporation and the Union agree that:

(A) Active seniority employees who had job security protection pursuant to Appendix L of the 1997 Collective Bargaining Agreement will be covered by this Job Security Program. Seniority employees not at work who had job security protection pursuant to Appendix L of the 1997 Collective Bargaining Agreement who are:

- 1) on vacation,
- 2) receiving bereavement pay,
- 3) on jury duty,
- 4) on any leave of absence of 90 days duration or less,
- 5) on temporary layoff, and
- 6) any other employee having a direct attachment to the active workforce will also be covered by this Job Security Program.

Appendix "L" (Continued)

In addition, any active employee who subsequently acquires six or more years of seniority during the term of this Memorandum of Understanding will also be covered by this Job Security Program.

(B) No employee covered by this Job Security Program will be laid off for any reason, other than described in I(C).

(C) Paragraph I(B) notwithstanding, an employee protected from layoff by this Job Security Program may be laid off for any of the following reasons:

- 1) volume related declines attributable to market related conditions as described in Document No. 55, JOBS Program - Volume Related Layoffs, not to exceed 74 weeks (inclusive of vacation shutdown weeks) over the life of the Agreement;
- 2) acts of God or other such reasons beyond the control of the Corporation including major economic downturn or financial distress;
- 3) the sale of a part of the Corporation's operations as an ongoing business;
- 4) the layoff of an employee recalled or re-assigned to fill an opening known in advance to be temporary; or
- 5) model change or plant rearrangement until the employee otherwise would have been recalled.

An employee impacted by any of the above reasons is, if otherwise eligible, covered by the appropriate Supplemental Agreements which are attached to the Agreement as Exhibits.

(D) The number of employees protected by this JOBS Program will be the covered employees who would otherwise be laid off as a result of any event other than those described in Paragraph I(C).

Appendix "L" (Continued)

II. JOB SECURITY AND OPERATIONAL EFFECTIVENESS - In recognition of the fact that job security can only result from joint efforts to improve operational effectiveness, the Corporation and the Union agree that:

(A) For a period commencing with the effective date of this Memorandum of Understanding and for the life of this Memorandum of Understanding, no covered employee will be laid off as a result of any event other than those described in Paragraph I(C).

(B) An employee whose regular job is eliminated will be placed pursuant to the applicable provisions of this Agreement.

(C) The employees protected from layoff due to the JOBS Program will be that determined in Paragraph I(D). Each protected employee will be identified by application of the Local Seniority Agreement provisions as if such job security were not provided.

(D) The Parties recognize that events, other than those described in I(C), may occur during the course of this Agreement that will cause the number of covered employees to exceed the Corporation's production requirements. The parties further recognize that the scope of this program requires flexibility with regard to the assignment of such Protected employees and the selection of employees for training. In this regard, the Local JOBS Committee (described in Section III, below) will insure that assignments are made on a basis consistent with the seniority provisions of the Collective Bargaining Agreement and Local Seniority Agreement while meeting plant needs, minimizing work force disruption and enhancing the personal growth and development of employees. After a decision by the Local JOBS Committee a Protected employee may be (1) placed in a training program, (2) used as a replacement to facilitate the

Appendix "L" (Continued)

training of another employee, (3) placed in a job opening at another Delphi plant provided there is no employee on layoff from that plant with a seniority recall or Paragraph (51e)(1) or (62d)(5) rehire right or an applicant who has not been offered a job at that plant, under current Delphi Automotive Systems policy, (4) given a job assignment within or outside the bargaining unit which may be non-traditional, (5) placed in an existing opening or (6) given other assignments consistent with the purposes of this Memorandum of Understanding.

(E) 1. Notwithstanding the above, an available Protected employee may be placed on the Area Hire list by Management for selection to an available opening at another location within the area. The number of such Protected employees made available for placement cannot exceed the number of Protected employees who have been laid off for the duration of the 74 week volume-related layoff limit (inclusive of vacation shutdown weeks). Protected employees will be made available for Area Hire placement in inverse seniority order.

2. A location that has no one on layoff with a seniority recall or Paragraphs (51e)(1) or (62d)(5) rehire right may fill a job opening with an available Protected employee from another location within the Area Hire Area pursuant to Paragraphs N(1) and (2), or an Area Hire applicant who has not been offered a job in the Area Hire Area;

An available Protected employee transferred permanently to another location may remain at the secondary location until at the employee's home location (1) there is an available opening in the regular active workforce to which the employee is entitled, or (2) the employee is recalled to Protected employee status, or (3) the employee is laid off from the second-

Appendix "L" (Continued)

ary plant, at which time the employee will return, seniority permitting, to the active workforce.

(F) Efforts of the local parties to improve operational effectiveness will be encouraged and supported by the national parties including, as may be appropriate, approval of requests to waive, modify or change this Agreement.

(G) A Protected employee will continue to receive their regular straight time hourly rate of pay. In the event a Protected employee is assigned to another classification, the employee will receive the rate of pay as provided by the Local Wage Agreement.

(H) Protected employees' assignments will be considered temporary and not subject to provisions governing permanent filling of vacancies or the application of shift preference, except for assignments to fill openings resulting from volume increases. Experience gained from these temporary assignments will not be used to advantage such Protected employee over other employees for selection to fill permanent vacancies, nor will the Protected employee gain seniority under Paragraphs (49) or (62b)(1) of this Agreement from such assignments.

(I) An employee replaced by a Protected employee will receive their regular straight time hourly rate of pay, and will be returned to the same classification and job assignment upon completion of the replaced employee's assignment. In the event the employee has insufficient seniority to return to the formerly held classification, the employee will be placed pursuant to the applicable provisions of the Local Seniority Agreement.

(J) If an employee would have been transferred pursuant to Paragraphs (55) or (62g) of this Agreement or placed in an Apprentice program were it not

Appendix "L" (Continued)

for participation in a training assignment provided by this program, the employee will be transferred to this classification upon completion of the training assignment. In the event the employee would have been selected for a Helper or Apprentice assignment, the employee's date of entry will be adjusted as if the employee's assignment had not been delayed.

(K) A replaced employee returned to a job assignment under this Program will be credited with all overtime hours the employee worked while out of the equalization group, but not with the overtime hours the employee would otherwise have worked in the group had the employee not have been replaced by the Protected employee.

(L) A training assignment will be voluntary on the part of an employee being replaced by a Protected employee, unless such training is to develop or improve technical skills relevant to the employee's current job assignment or anticipated future job needs.

(M) No Protected employee will be temporarily assigned to a job outside of the bargaining unit except on a voluntary basis, subject to the direction of the National Committee. Permanent transfers of Protected employees outside the bargaining unit to other Delphi plants will be handled as follows, provided there is no rehire right or an applicant who has not been offered a job at the plant under current Delphi Automotive Systems policy and after all other prior contractual commitments and other obligations have been met;

(1) Management may place a Protected employee's name on the Area Hire list. The number of names so placed may not exceed the number of employees who have been laid off for the duration of the 74 week volume-rated layoff limit (inclusive of vacation shutdown). Protected employees will be made available for Area Hire placement in inverse seniority

Appendix "L" (Continued)

order. Thereafter, such employees may be selected in seniority order to available jobs at other locations. The seniority used by a skilled trades employee in administering these provisions will be the employee's date of entry or Journeyman/woman date.

(N) The number of employees covered by these Job Security provisions will change as:

(1) an employee in the active workforce, as defined by Paragraph I(A) who had less than six years of seniority on the effective date of the Agreement who subsequently attains six years of seniority; (2) otherwise eligible employees who are not active on the effective date of the new agreement who subsequently return to active status.

Notwithstanding the above, the National JOBS Committee is authorized to establish special mechanisms for the purpose of attracting new work.

(O) In the event there is an opening due to a volume increase, the available Protected employee with the highest seniority will be placed in this opening, unless the Local Committee determines the employee should first complete the employee's current assignment. If seniority employees are on layoff from that plant, a number of such employees, equivalent to the number of Protected employees placed in openings due to volume increases will be recalled from layoff. A Protected employee transferred to another Delphi plant due to a volume increase who is subsequently laid off from the secondary plant due to a volume decrease will be returned to available openings at the employee's home plant, seniority permitting.

(P) A layoff caused by an event described in Paragraph I(C) will have no impact on the number of Protected employees except for an employee who is protected from a layoff attributable to a market related

Appendix "L" (Continued)

volume decline in excess of 74 weeks (inclusive of vacation shutdown weeks). In those instances, Protected employees, having the least seniority, will be laid-off and replaced by an equivalent number of greater seniority employees who would otherwise have insufficient seniority to remain in the plant.

(Q) In the event the Local or National Committee determines that the number of Protected employees exceeds the number of expected openings at the plant or in the Area within the next succeeding 12 months, special programs as set forth in Attachment A may be triggered upon prior approval of the National Committee. Thereafter, to the extent the number of Protected employees is still in excess of expected openings, such employees, under the direction of the National Committee, may be transferred out of the area pursuant to Paragraph (M). The National Committee may also explore the extension of Attachment A to other locations to create job opportunities for excess Protected employees within the Area Hire area.

(R) Earnings, including wages and wage related payments, received by employees while on Protected employee assignments, will be charged against the maximum liability amount. The cost of benefits and other payments made or incurred on behalf of Protected employees, specifically, health care (including dental and vision), group insurance, pensions, legal services, training fund contributions, and FICA will be charged against the maximum liability amount. The cost of benefits provided under Attachment A of this Memorandum of Understanding will not be charged against this liability. Earnings received and the cost of benefits and other payments made on behalf of Protected employees while assigned to fill permanent job openings resulting from volume increases or assigned to other regular and productive work (e.g., absentee replacements) will not be charged against this liability.

Appendix "L" (Continued)

(S) Charges against the Corporation's liability will commence with the first payments made to Protected employees and will continue until the maximum liability is reached or the expiration of the Program as provided in this Memorandum of Understanding, whichever occurs first. The records of such charges will be maintained by the Corporation and will be available to the Union at appropriate times.

III. ADMINISTRATION OF THE JOBS PROGRAM - The Corporation and Union agree that:

(A) A Local JOBS Committee will be established to administer the Program.

(B) The membership of the Committee will consist of the local Plant Manager and other representatives selected by management; the local Union President, if a Delphi Automotive Systems employee, and the Shop Committee.

(C) The duties of the Local Committee will be:

1. Review the number and status of the available Protected employees on a monthly basis, specifically noting the impact on this group of attrition, volume and future labor requirements.

2. Monitor the initial placement of an employee who returns to work following an event covered in Paragraphs I(A) and I(C).

3. Monitor the placement of Protected employees. In this regard consideration should be given to both the nature and duration of the assignment following the guidelines contained in Section II to this Memorandum of Understanding.

4. Monitor permanent layoffs caused by the events described in I(C).

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Appendix "L" (Continued)

5. Participate in discussions regarding the introduction of new or advanced technology as provided in the Statement on Technological Progress contained in the current Delphi-USWA Agreement.

6. Review attrition and changes in the workplace. As required, develop plans to replace attrition, including the use of hires or rehires, to meet operational needs when other appropriate placement sources have been exhausted. The local parties are required to report monthly that appropriate communications have taken place; upon the request of the National Committee, the local parties may be required to provide detailed information to support their monthly joint reports.

7. Review the labor requirements of forward product, facility and business plans, maintaining the confidentiality of the material being evaluated.

8. Plan and coordinate the assignment of Protected employees in their home plant, the relocation of Protected employees to other plants in the area and the application of special programs to Protected employees and active work force employees as described in Attachment A to this Memorandum of Understanding.

9. Authorize non-traditional work assignments for Protected employees where practicable both within or outside the bargaining unit.

10. Review any complaint regarding the administration of the JOBS Program. Refer unresolved complaints to the National Committee. The National Parties will limit the review of complaints to those raised, in writing, within 60 days of the event giving rise to the complaint unless the time limit is waived by the National Committee. Only those matters governing the size of the active workforce, the number of Protected employees, or governing the treatment of

Appendix "L" (Continued)

Protected employees as set forth in Section II of this Memorandum of Understanding will be subject to the Grievance Procedure. Such grievances will be filed at the Third Step of the Grievance Procedure. All other unresolved complaints will be settled expeditiously between the parties at the National level.

11. Jointly coordinate appropriate local training activities to ensure that quality, cost efficient training is provided and appropriate funds are secured from both within Delphi and from external sources.

12. Jointly develop and initiate proposals to improve operational effectiveness to secure existing jobs, and to attract customers and additional business thus providing additional job opportunities. When required, secure necessary approvals from the bargaining unit membership and the national parties.

13. Make recommendations to the National JOBS Committee, as appropriate, regarding any aspect of the JOBS Program. This may include any aspect of the contractual relationship between the Corporation and the Union that is relevant to the duties of the Local JOBS Committee, e.g., Appendix N, and Paragraphs (48), (52), (62a), and (62d)(8) of the current Delphi-USWA Agreement.

14. Ensure that JOBS funds are used solely for the purposes for which the Program provides protections, as specified in Section I(B) of this Memorandum of Understanding.

(D) A national JOBS Committee will be established consisting of one (1) representative selected from the Corporation's Labor Relations Staff and one (1) representative selected from the Divisional Industrial Relations Staff and one (1) representative of the International Union and the President of the Local Union.

Appendix "L" (Continued)

(E) The National Committee will meet periodically as required to:

1. Review labor requirements for specific areas.
2. Monitor the efforts of the Local Committees.
3. Jointly develop appropriate Delphi-USWA training efforts working closely with the Local JOBS Committees to ensure that quality, cost efficient training is provided and appropriate funds are secured from both within Delphi and from external sources.
4. Coordinate: (a) placement efforts for eligible workers, (b) assessment and training programs, and (c) funding.
5. Approve Local JOBS Committee efforts to improve operational effectiveness and coordinate these actions when appropriate.
6. Coordinate, where applicable, the execution of Special Programs described in Attachment A as well as the placement of Protected employees. For example, where a permanent loss of jobs has occurred or is scheduled for a location, the parties may discuss transfer of employees to another location; such a transfer could be in advance of the scheduled job loss, if it could be accomplished without adversely affecting quality and operating efficiency.
7. Act on requests from Local Committees to waive, modify or change Agreement provisions when such action would result in the preservation or increase of job opportunities.
8. Make quarterly reports to the Union and Corporate leadership regarding the operation of the Program.

(F) The National JOBS Committee is specifically empowered to periodically review and evaluate the

Appendix "L" (Continued)

operation of this Memorandum of Understanding and make mutually satisfactory adjustments to its provisions during the term of this Memorandum.

IV. FUNDING - The Corporation and International Union agree that:

Notwithstanding the commitments set forth in this Memorandum of Understanding, the Corporation's total financial liability for the cost of the JOBS Program, to be calculated as agreed between the parties, shall not exceed \$24,800,000 during the term of this Memorandum of Understanding adjusted by any amounts shifted between the JOBS and SUB Funds. In the event this liability is reached, Protected employees will be subject to layoff. Thereafter, to the extent that layoffs of such employees are required, the provisions of the Local Seniority Agreements will apply and eligible employees will receive benefit treatment in accordance with the Supplemental Agreements attached to the Delphi-USWA Agreement then in effect.

V. EFFECTIVE DATE - TERMINATION DATE

The Corporation and International Union agree that:

(A) This Memorandum of Understanding will become effective on the effective date of this Agreement.

(B) This Memorandum of Understanding shall expire upon the expiration of the National Agreement next following the 1999 Agreement.

APPENDIX "N"

Sourcing

During these negotiations, the Union raised numerous concerns about the Corporation's sourcing actions and their impact on employment opportunities. To that end, the Corporation will work with and assist the Union to preserve jobs, replace jobs which may be lost by outsourcing action, and to create jobs for Protected employees and laid off employees. It is an objective of the Corporation to grow the business and to continue to rely upon its employees and facilities as the source of its products. During the life of the current Agreement, the Corporation will advise the President of the Local Union relative to sourcing recommendations, including the number of potential jobs affected. Additionally, data regarding incoming and outgoing work will be given to the Union in a quarterly meeting. In this manner, the parties can judge the success of mutual efforts toward improved job security. The Corporation agrees to incorporate the procedures and structure outlined herein when making sourcing determinations during the current Agreement.

The rationale for sourcing actions will consider the criteria of quality, technology, cost, timing, statutory requirements, occupational and related environmental health and safety issues, the impact on long-term job stability, the degree to which the Corporation's resources can be allocated to further capital expenditures, the overall financial stability of affected facilities, and the impact on related facilities. Other factors considered by the Corporation before a final sourcing decision is made will include the effect on employment, and job and income security costs, on both a short and long-term basis. Such criteria shall give equal weight to the full impact of a sourcing action on Delphi Automotive Systems-USWA represented employment levels and the job and income security of Delphi Automotive Systems-USWA represented employees. The

National parties will jointly further develop the above criteria to be used to address sourcing issues. In developing this criteria transfer pricing profits will not be considered in making sourcing decisions. Only appropriate return on investment and burden will be considered. The Union will be provided full and timely access to all appropriate data, including financial information, that is pertinent to evaluate product competitiveness and contemplated sourcing.

If the Local Committee cannot resolve a sourcing issue, the local Union may file a grievance at the third step of the grievance procedure. In addition, the following specific commitments have been made to address sourcing-related job security concerns of USWA members:

1. Insourcing

The Local JOBS Committee will discuss the practicality of insourcing, in whole or in part, work previously outsourced or new work which the Committee identifies as that which might be performed competitively at this Delphi Energy and Chassis Systems location based on the criteria outlined above. To assist in this process, the Union will be furnished a complete list of work similar to that currently performed at the location that has been (1) outsourced from that location or (2) is currently performed by non-Delphi/USWA suppliers for Delphi Automotive Systems. These lists will be updated and expanded to include supplier expiration dates and will be furnished within 90 days following the effective date of the Agreement. Thereafter, the parties will initiate efforts to insource particular work consistent with the aforementioned criteria to create prospects for growth and to provide jobs for Protected employees and employees on layoff.

If it is established that certain work can be performed competitively by the above criteria Manage-

ment will adopt the Committee's proposal and barring unique or unforeseen circumstances, bring the work in-house. The Union shall thereafter obtain any necessary approval or ratification within 30 days of the decision to bring the work in-house.

2. Outsourcing

Outsourcing as used herein means the Corporation's sourcing of work from USWA-Delphi Automotive Systems locations including work connected with current, new or redesigned component products. When a request for quote is initiated, the Union will be advised in writing by the Corporation. At such time as the quotes have been received and an outsourcing decision is contemplated the Union will be given 150 days' written notice or longer advance notice when possible. The notice will include the reason for the outsourcing, a description of the work involved, the number of jobs affected on both a short-term and long-term basis, if known, at both the affected facility and any other Delphi Automotive Systems-USWA represented facility, the identification of the sourcing authority, and all financial information. Proposals to keep the work in-house will be made by the Union within 90 days of the receipt of the written notice.

a. When such an outsourcing decision is contemplated and within the control of the Local Management, the written notice will be given to the Chairperson of the Shop Committee. A copy of such notice will be sent to the President of the Local Union and the Executive Director, Industrial Relations, for the Corporation.

b. When such a contemplated outsourcing decision is initiated by any other sourcing authority of the Corporation at a level external to the affected location(s), that sourcing authority will provide sufficient advance written notice to allow the designated management representative at the impacted location

to comply with the notification procedure. The written notice will be given to the Chairperson of the Local Union Shop Committee. Also, a copy of such notice will be given to the President of the Local Union and to the Executive Director, Industrial Relations.

Additionally, Union input will be sought by the Corporation and its Divisions as early as possible in the outsourcing decision-making process. The intent of the evaluation period and the Union input being sought as early as possible is to allow for more thorough discussion and to permit the parties to better assess the impact of outsourcing on the long-term job stability of employees and the financial viability of given Corporate locations.

c. The sourcing authority will not enter into a contractual relationship with a non-Delphi/USWA supplier until such time as the designated management representative of the impacted location provides written verification that the above notification procedure and discussion by the JOBS Committee, has taken place.

If it is established that the work can be performed competitively, judged by the criteria listed earlier in this Appendix, Management will, barring unique and unforeseen circumstances, keep the work in-house. The Union shall thereafter obtain any necessary approvals or ratification within 30 days of the decision to keep the work in-house.

d. The Corporation agrees to a full disclosure to the Union of the procedures utilized in sourcing activities.

3. Future Product Sourcing

Union input to early sourcing decisions will be sought by the Corporation's Divisions. In that regard, the Union will be notified in writing by the appropriate Division upon approval of "Project Charter" to

proceed for those subsystems or components that are included in the Product Development Process. Following the notification, the President of the Local Union shall have the responsibility for overseeing the interface with other USWA represented Delphi Automotive Systems facilities.

The implementation of this process should provide the parties with the mechanism to take advantage of every opportunity to use internal resources and to create jobs for Protected employees.

The commitments expressed in this Appendix are intended to contribute significantly to our cooperatively working together to provide Delphi Automotive Systems employees in the United States improved job security by growing the business.

Very truly yours,

Bernard J. Quick
Director Labor Relations

MEMORANDUM OF UNDERSTANDING JOINT ACTIVITIES

During current negotiations, the parties discussed the challenges in the marketplace from both foreign and domestic competitors. There is mutual recognition that these challenges require a fundamental change to maximize the potential of our human resources. This change can occur only by building on our current joint efforts and by fostering a spirit of cooperation and mutual dedication that will permit the full development of the skills of our people and meaningful involvement in the decision-making process. Success in these endeavors benefits all of the parties: the USWA through a strong and viable membership; the employees through job satisfaction and job security; and the Corporation through achieving its goal of becoming a world-class competitor.

The parties agree that the most appropriate method for handling a variety of joint endeavors is through the establishment of a Local Joint Activities and Training Committee.

In order to make constructive progress in this regard, there is a need to reach a common understanding of the concept of "jointness" and to establish a facilitating mechanism to assure that the various programs related to changes in the work environment are appropriately and effectively administered.

The term "jointness" is understood to mean that concepts for these activities be jointly developed, implemented, monitored and evaluated. Furthermore, decisions must be arrived at in a setting which is characterized by the parties working together in an atmosphere of trust; making mutual decisions at all levels which respect the concerns and interests of the parties involved; sharing responsibility for the problem-solving process; and sharing the rewards of achieving common goals.

The parties agree that the appropriate facilitating mechanism for joint endeavors is the National Joint Activities and Training Committee.

I. NATIONAL JOINT ACTIVITIES AND TRAINING COMMITTEE

The parties agree that this National Committee will consist of one (1) representative from the Corporation's Labor Relations Staff, one (1) representative from the Delphi Energy and Chassis Systems Industrial Relations Staff and the President of the Local Union and one (1) member of the Union Executive Board or their designated representative.

The National Joint Activities and Training Committee will actively direct and support the Joint Committee on Health and Safety, the Committee on Attendance, the Employee Assistance Program Committee, the JOBS Program and such other joint committees and activities as may be mutually agreed to by the Union and the Corporation. The National Committee will appoint an equal number of representatives from both Union and Management to serve on these joint committees. Additional persons external to either party may also be appointed with the mutual approval of the National Committee. Other duties and responsibilities of the National Joint Activities and Training Committee will include, but not be limited to the following:

- (a) Setting policies and providing guidelines;
- (b) Allocating funds for projects and activities;
- (c) Monitoring expenditures for approved projects and activities;
- (d) Coordinating the efforts of the Committees referred above;

(e) Evaluating and auditing the ongoing performance and results of these committees.

(f) Review and approve proposals for National meetings, conferences and workshops.

(g) Integrate Joint Activities with Corporate structures and business decisions.

(h) Keeping Local 87, USWA leadership, Corporate Management and Divisional Management informed of joint Union-Management activities and the progress of the National Committees in achieving their objectives, including convening regular joint meetings at the Division and Staff level to promote the coordination, delivery and implementation of effective human resource development programs and processes throughout the plant as well as to share appropriate business and joint activity information.

II. LOCAL JOINT ACTIVITIES COMMITTEE

During current negotiations, the parties discussed the need to focus the responsibility for all local joint activities on those individuals who have primary responsibility for their success and to enhance their effectiveness through improved information sharing, priority and goal setting, resource allocation and the elimination of duplication.

Accordingly, the parties agree that the appropriate local facilitating mechanism for all local joint activities is the Local Joint Activities Committee consisting of the President of the Local Union, Shop Committee Chairperson and members of the Local Union Executive Board or their designated representatives, Plant Manager, Personnel Director and other appropriate Management Representatives. The Local Joint Activities Committee is responsible for actively supporting and directing the Local Joint Skill Development and Training Program, Human Resource Development Process, Local JOBS activities and to provide coordi-

nating among all other local joint activities such as Health and Safety, EAP, Quality Network, etc.

The duties and responsibilities of the Local Joint Activities Committee include the following:

A. Provide structure for integrating all joint efforts.

B. Set local policies/guidelines to enhance each joint activity.

C. Integrate joint activities with business operations through a joint planning process.

D. Allocate and monitor local joint funds and other resources in accordance with this memorandum and national guidelines in support of all joint activities.

E. Insure USWA Joint Training Representative(s) are involved in the preparation of training budgets/plans directed at USWA represented Delphi employees.

F. Monitor and evaluate the performance and results of joint activities and provide positive recognition and/or corrective direction as required.

G. Regularly exchange information on plant operations and communicate appropriate information to all employees.

H. Keep Local 87, USWA and Corporation leadership including the National Joint Activities and Training Committee informed of the status and progress of joint activities.

I. Approve and implement training plans directed at USWA represented Delphi employees.

J. In situations where mutual agreement regarding joint activities cannot be reached locally, either party may appeal the issue to the National Joint Activities and Training Committee for resolution.

K. The Union will be fully involved in all phases of training including analysis and development that is directed at USWA-represented employees.

Funding

It is agreed that the Corporation will make available for the activities directed solely by the National Committee funding up to \$5.00 per overtime hour worked in incremental amounts in excess of five percent (5%) of straight-time hours worked (calculated on a twelve month rolling average). Such funding will be calculated in accordance with the following incremental table. Funding shall commence with the effective date of the new Main Agreement and continue for its duration with the exception that those employees assigned to work in skilled classifications as defined in Seniority Section B-II will be limited to a maximum funding rate of \$1.25 per overtime hour worked as defined above. The funding rate for skilled employees will be subject to review by the National Joint Activities and Training Committee on an annual basis with the understanding that any subsequent modifications, as it relates to skilled employees overtime funding, shall not exceed the incremental amounts noted in the following table.

Overtime Hours as Percent of Straight Time Hours	Additional Amount Per Hour
5% or less	\$0.00
Greater than 5% thru 12%	1.25
Greater than 12% thru 13%	1.50
Greater than 13% thru 14%	2.00
Greater than 14% thru 15%	2.50
Greater than 15% thru 16%	3.00
Greater than 16% thru 17%	3.50
Greater than 17% thru 18%	4.00
Greater than 18% thru 19%	4.50
Greater than 19%	5.00

It is agreed that the Corporation will make available to the local Joint Activities and Training Committee for use either in the plant or in certain nationally

approved projects, including Health and Safety Training subject to the provisions of the Memorandum of Understanding Joint Activities, funding at the rate of \$.062 per hour worked. Such funding shall commence with the effective date of the new Main Agreement and continue for its duration.

Approval Process

Any requests for authorization to expend funds must be jointly approved by local parties and submitted to the National Committee for approval. In situations where mutual agreement regarding fund approval cannot be reached locally, either party may appeal the issue to the National Joint Activities and Training Committee for resolution.

Funds Utilization

Funds may only be used for joint endeavors in furtherance of this Memorandum of Understanding, or in support of the Joint National Committees specified above. Definitive guidelines will be jointly developed and communicated subsequent to ratification. The parties are specifically empowered to review and evaluate this Memorandum and the guidelines and make mutually satisfactory adjustments and modifications during the term of this Agreement. Following are illustrative examples of appropriate uses of the various funds.

- Specific projects dealing with active workers
- Joint National Studies
- Joint National Pilot Programs
- Joint National Agreement administration
- Training efforts of active employees in job related skills, basic education enhancement and interpersonal skills.
- Specific studies, pilots, activities, etc. agreed to by the National Parties.

It is understood that funds at any level may not be utilized for contractually specified training such as apprentice training nor for funding of time off the job of designated or elected USWA representatives routinely functioning in administration of the contract.

It is understood that nothing in this Memorandum limits the rights of either party to provide education and training programs on the same, similar or other subjects.

Agreement Expiration

In the event the parties should agree to discontinue, in whole or in part, this Memorandum prior to the expiration date of the new Main Agreement, or upon expiration, the parties shall meet to discuss any problems arising out of the termination. After reconciliation of claims, commitments, and accruals through the expiration date of the new Main Agreement, any balance of funds described above will remain with the Corporation and the Union will have no claim on such funds.

IN WITNESS WHEREOF, the parties hereto have caused their names to be subscribed by their duly authorized officers and representatives on the 8th day of December, 1999.

International Union	<u>Delphi Automotive Systems</u>
USWA Local 87	<u>Delphi Energy and</u>
	<u>Chassis Systems</u>

**SUBCONTRACTING - IMPLEMENTATION
PARAGRAPH (62y)(4)**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current Negotiations, the Union complained that procedures set forth in Paragraph (62y)(4) are not being satisfactorily implemented by Management in many instances.

This letter is intended to clarify the intent and purpose of this provision:

1. The "advance discussion", except where time and circumstances prevent it, will take place "Prior to letting the contract for the performance of maintenance and construction work", before any decision has been made as to whether the work should be contracted out. The "advance discussion" will include information as to "why Management is contemplating contracting out the work". It is evident that except as noted above, since Management is only "contemplating contracting out the work" when the "advance discussion" takes place, Management should not have made any decisions concerning whether or not to contract out the work before such "advance discussion" is held.
2. Management should advise the Local Union of the "nature, scope and approximate dates of the work to be performed and the reason or reasons (equipment, manpower, etc.) why Management

is contemplating contracting out the work.” This information is related to the letter originally issued January 15, 1968, and contained in the Main Agreement as Appendix “J”. That letter makes reference to “manpower skills, equipment and facilities” and also as to whether the Corporation “can do the work competitively in quality, cost and performance and within the projected time limits.” Since any or all of these conditions may be entailed in the determination as to whether a particular contract should be let out or not, it is necessary that Management advise the Local Union in the “advance discussion” concerning the item or items which are relevant to the decision making.

3. If in the “advance discussion” it is clear that Management is only “contemplating contracting out the work”, and if in addition all the pertinent information as noted above is supplied to the Local Union, then Local Union representatives will be given a better opportunity “to comment on Management’s plans” and will also give an opportunity to Management “to give appropriate weight to those comments in the light of all attendant circumstances.”
4. In addition the Union commented that in certain instances plant Management requested and contracted for maintenance service on leased equipment, and extended warranty arrangements or service contracts were being purchased which impacted the job security of seniority employees in skilled trades classifications. Management stated that, while Paragraph (62y)(2) covers the “fulfillment of normal warranty obligations by the vendor”, warranty arrangements that extend beyond those customarily provided or the obtaining of service contracts are not covered by these provisions. Rather, such arrangements or

service contracts covering work normally and historically performed by represented skilled trades employees are to be considered in the same manner as contracts for the performance of maintenance work and such decisions are covered by the provisions of Paragraph (62y)(3) of the Main Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

PLANT CLOSING AND SALE MORATORIUM

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

As a result of your deep concern about job security in our negotiations and the many discussions which took place over it, this will confirm that during the term of the new Collective Bargaining Agreement, the Corporation will not close nor partially or wholly sell, spin-off, split-off, consolidate or otherwise dispose of in any form, any plant, asset, or business unit of any type, beyond those which have already been identified constituting a bargaining unit under the 1999 Delphi-USWA Agreement.

In making this commitment, it is understood that conditions may arise that are beyond the control of the Corporation, e.g., act of God, and could make compliance with this commitment impossible. Should such conditions occur, the Corporation will review both the conditions and their impact on a particular location with the Union.

Should it be necessary to close a plant constituting a bargaining unit consistent with our past practice, the Corporation will attempt to redeploy employees to other locations and, if necessary, utilize the "Special Programs" identified in Appendix L of the Delphi-USWA Main Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

SALE OF OPERATION

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations, the Union requested the Corporation to agree that any sale of an operation as an ongoing business would require the buyer to assume the 1999 Delphi-USWA Collective Bargaining Agreement. The Corporation agreed to do so in the case of any such sale during the term of the 1999 Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**JOBS PROGRAM
VOLUME RELATED LAYOFFS-SEL**

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the course of these negotiations, the Corporation and Union have provided Delphi Automotive Systems employees with substantially increased job security through the new SEL feature of the JOBS Program, which protects eligible employees against layoff for virtually any reason except volume related market conditions. The parties recognize that employment levels may continue to fluctuate as a result of the cyclical nature of demand in our industry. The Corporation acknowledges, however, the importance of minimizing layoffs even in instances where volume related declines are unavoidable. In particular, the Union stressed the importance of reducing overtime and shifting dual sourced production requirements to USWA-Delphi Automotive Systems plants in the event of overall market declines. The Corporation agrees to take these and other actions whenever practical.

In any event, however, employees affected by volume related declines would exercise their seniority in line with the local seniority agreement and, if otherwise eligible, receive benefit treatment in accordance with the Supplemental Agreements attached to the current Delphi-USWA Collective Bargaining Agreement.

Identifying the complex inter-relationships of all the factors involved with volume fluctuations is a dif-

ficult task. The parties agreed, however, that for purposes of determining SEL related protections they must identify just those volume declines that are attributable to market related conditions, and in turn, just those declines that are not affected by Corporation sourcing choices of vehicle components that compete with or act as replacements for vehicle components produced by Delphi Automotive Systems employees covered by this Collective Bargaining Agreement. In other words, volume declines that are attributable to the Corporation's production and purchase arrangements with any related or unrelated party (subsidiaries, affiliates, captives, joint ventures, transplants, etc.) would be considered an exception to the overall volume related exclusion in Section I(C) of the JOBS Program.

The parties also agreed that the complexity of these issues requires that the Corporation provide Local JOBS Committees adequate notice of any impending volume-related layoff, as well as all information necessary to fully evaluate its underlying causes, the extent to which such decline is associated with a Corporate sourcing action and the appropriate number of SEL eligible employees that should be affected by the layoff.

The Corporation recognizes, moreover, that it has the responsibility to justify implementation of a layoff in the context of the protections spelled out in the JOBS Program and the guidelines outlined in this letter. Similarly, the Corporation also accepts the responsibility of proving that the proper number of employees are recalled to SEL positions when a volume related decline is reversed, again within the context of the JOBS Program protections and the guidelines outlined in this letter.

The following are to be considered as illustrations to assist the parties in determining when volume re-

lated declines support reductions in employment. These illustrations should not be considered all inclusive.

- Market Related Conditions - included in this category is customer preference of one product over another that might result in a decline in sales of a U.S.-built Delphi Automotive Systems product that requires the layoff of employees, provided such sales declines are not the result, for example, of increased sales or increased market share of competitive captive imports or joint venture products or any other product sold in the U.S. by Delphi Automotive Systems but not produced in a Delphi Automotive Systems plant.

- Example of Market Related Conditions

- (1) There is a decline in economic activity which depresses sales of Delphi Automotive Systems products. Lower production levels require the layoff of employees. Plant A, employing 4,100 SEL eligible employees, is the sole source of Product Z for the U.S. market; it is required to lay off one shift, or 2,000 employees. The plant's SEL number remains at 4,100 including 2,000 open positions for laid-off employees.

While the plant is down to one shift, the Corporation decides to outsource Product X, which reduces employment requirements by 250 employees per shift. Two hundred fifty (250) employees are placed on Protected employee status. There is no impact on the SEL numbers.

U.S. demand picks up to pre-layoff levels and the second shift is called back. Active employment at the plant goes back to 4,100. As the second shift is called back and the plant is back to pre-downturn production levels, an additional 250 employees are placed on Protected employee status which now leaves a

total of 500 employees. The SEL plant number remains at 4,100.

- (2) Plant B (5,000 SEL-eligible employees) is not the sole source of Product Y, which is also produced in Canada for the U.S. market, in Plant BC. Plant BC supplies one-fourth of the U.S. demand for Product Y. An economic downturn in the U.S. reduced demand for Product Y by 160,000. In accordance with SEL guidelines, volume related employment reductions cannot exceed Plant B's share of pre-downturn volume levels (three-fourths) applied to the reduced level of overall sales. Production in Plant B is therefore reduced by no more than 120,000 units, causing layoffs of 2,000 workers. Plant B's SEL remains at 5,000, including 2,000 open Bank positions.

Product Y demand in the U.S. market picks up by 60,000. The Corporation decides to produce 30,000 of those units in Plant B and the rest in Canadian Plant BC. The increase in production is not accomplished in proportion to pre-layoff production shares; to comply with SEL, the Corporation must recall 250 employees which it assigns to Protected employee status in addition to the 500 employees required for the pick up in production.

- Product Discontinuance - Because of the introduction of a new U.S.-built Delphi Automotive Systems or a non-allied company product not sold by Delphi Automotive Systems, sales of another Delphi Automotive Systems-manufactured product may decline, and production of the latter product must be curtailed necessitating reductions in employment. Such reductions would be considered volume related declines under Paragraph 1(C) of the Program.

- Examples of Product Discontinuance or Phase Out and Changes in Customer Preference
 - (1) A new U.S.-built Delphi Automotive Systems product (or any other new non-allied company product which is not marketed by the Corporation) is introduced. Sales of Product X decline by 50%, and assembly must be curtailed. The necessary reductions in employment are made through layoffs, keeping the SEL number at the plant at the same level.
 - (2) Battery Plant C, employing 1,400 SEL-eligible people, produced half of the batteries for Product X; the other half are produced at a Corporate plant in Mexico. The volume reduction is made totally at Plant C rather than split proportionately between Plant C and the plant in Mexico. Thereafter, in accordance with the JOBS guidelines half of the 700 employees who are not required any longer in Plant C due to this event are assigned to Protected employee status, and the other 350 employees would be laid off. The SEL at Plant C remains at 1,400 including 350 open volume related positions.
- Faulty Product - Vehicle line volume may decline because of faulty parts in a vehicle that cause customers to place the product in disfavor. Related Delphi Automotive Systems product volume may also decline. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.
- Changes in Retail Preference - Delphi Automotive Systems volume may decline because of customer preference shifts - in turn affecting mix and therefore demand, e.g., small car preference shifts to large car; option preference swings; high product

content to low product content. Such reductions would be considered volume related declines under Paragraph I(C) of the Program.

- Non-Delphi Automotive Systems Commercial Customer Preference – Cancellation or declines in product volume for Delphi Automotive Systems manufactured parts that are sold to unrelated firms may cause volume changes. Such volume reductions would be considered volume related declines under Paragraph I(C) of the Program.
- Examples of Non-Delphi Automotive Systems Commercial Customer Preference

Plant A produces heavy-duty cranking motors for off the road construction equipment. Volume is reduced as a result of a decline in the construction industry. One hundred fifty (150) employees are laid off; 150 open SEL positions are established.

At the time production is back to pre-layoff levels, the Corporation introduces two robots which replace 25 employees. According to SEL guidelines, all of the 150 employees are recalled from layoff, 25 of them are assigned to Protected employee status, and the SEL number remains equal to its pre-layoff level.

- Non-Delphi Automotive Systems Produced Products - If sales of a new or replacement product manufactured by an allied company for Delphi Automotive Systems, that competes with a product manufactured by the Corporation, results in reduced sales of the Corporation - manufactured product, the action would not be volume related and layoffs under Paragraph I(C) of the Program would not be permitted.

- Example of Non-Delphi Automotive Systems Produced Products

The Corporation outsources a product that it markets in competition with Product W manufactured by Delphi Automotive Systems employees. This results in reduced sales of Product W. Employment requirements are reduced but this event is not covered under Paragraph I(C) of the JOBS Program and the layoffs are not permitted. This protection also extends to employees producing USWA-Delphi Automotive Systems components which are manufactured for Product W.

• Delphi Components or Materials

It is recognized that reduction in vehicle production will often be accompanied by reductions in component production. When reductions in vehicle production are volume related, pro-rata reductions in component production will normally be considered volume related as well. Furthermore, when a like or similar component is dual-sourced from a USWA-Delphi Automotive Systems and a non-USWA Delphi Automotive Systems plant, production declines at the USWA-Delphi Automotive Systems plant will only be considered volume-related to the extent the dual-sourced component produced at that plant continues to be produced in its pre-production decline proportion.

- Examples:

- (1) Plant A receives hard plastic steering wheels from a USWA-Delphi Automotive Systems plant and soft urethane steering wheels from a non-USWA Delphi Automotive Systems plant. A volume decline occurs in hard plastic wheels because of customer preference for soft urethane wheels. Such reductions would be con-

sidered volume related declines under the Program but would not have to be taken proportionately because the wheels would not be considered like or similar components.

- (2) Plant B receives a brake hose that has couplings assembled from a USWA-Delphi Automotive Systems plant and brake hose that have couplings assembled from a non-USWA Delphi Automotive Systems plant. The brake hose are used interchangeably and would be considered like or similar components. Therefore, any volume declines in brake hose assembly production would have to be taken proportionately to be considered volume related.

As implied by these examples, there are many variations to be considered when determining volume actions. This letter is intended to provide a framework within which Local and National JOBS Committees may review the applicability of Paragraph 1(C) to volume reductions.

If a Local JOBS Committee cannot agree on a situation being defined as volume related, the matter may be appealed to the National JOBS Committee for resolution.

Very truly yours,

Bernard J. Quick
Director Labor Relations

UP-FRONT LUMP SUM PAYMENT
DELPHI AUTOMOTIVE SYSTEMS

Dennis Bingham, President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations, the parties agreed to provide an up-front lump sum payment of \$1,350 to each eligible employee. Eligible employees are defined as those whose status effective October 18, 1999 is one of the following:

- (a) Active (excluding those hired pursuant to Appendix M, and any other temporary part-time employee not acquiring seniority);
- (b) On temporary layoff status;
- (c) On one of the following leaves of absence not greater than ninety (90) days:
 - Pursuant to Family and Medical Leave Act
 - Informal (Paragraph 102)
 - Formal (Paragraph 104)
 - Sickness and Accident (Paragraphs 105)
 - Military (Paragraph 112)
 - Educational (Paragraph 107);
- (d) Employees otherwise eligible with retirements processed for an effective date of October 1, 1999 or November 1, 1999.

In addition, should the President - USWA - Local 87 raise any question of equity in application regarding specific employees, the Corporation agrees to meet on such cases in order to review the facts.

Very truly yours,

Ralph E. Handley
Executive Director
Industrial Relations

TEMPORARY OPENINGS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations, the parties discussed the problem created when local management is reluctant to recall laid off employees to perform work of known short-term duration because under the terms of the 1982 Agreement such employees regenerate costly benefits.

As a result of these discussions, changes are incorporated in the current agreement which delay regeneration of certain benefits. In response to those changes the Corporation assured the Union that local Management would discuss with the Local JOBS Committee plans to recall available laid off employees or hire other laid off Delphi Automotive Systems employees to fill such short-term openings.

Very truly yours,

Bernard J. Quick
Director Labor Relations

Doc No. 58

**TEMPORARY OPENINGS -
LAID OFF EMPLOYEES WORKING**

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During current negotiations, the parties discussed problems that arise when laid off employees working at permanent jobs in other Delphi Automotive Systems plants are recalled to former locations to fill openings considered at the time to be temporary. It was determined to be mutually beneficial for such employees to remain on their present jobs. Accordingly, it was agreed that such employees would not be recalled or rehired under such circumstances.

Furthermore, if laid off employees working at permanent jobs with outside employers are recalled to fill openings considered at the time to be temporary, these individuals who desire to be bypassed under the provisions of this document should notify the appropriate employment office.

In this regard, solely for the purposes of calculating the periods relative to breaking seniority and exhausting rehire rights at their respective plant pursuant to Paragraphs (51e)(1) and (62d)(5), such employees shall be considered as having accepted recall to their former plant on the date such work became available and returned to layoff status at such time as the period of temporary work is completed.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**STATEMENT OF POLICY REGARDING
EMPLOYMENT OF LAID OFF
DELPHI ENERGY AND CHASSIS SYSTEMS
EMPLOYEES-DAYTON AREA**

During the current Negotiations the parties discussed the subject of USWA-represented employees who are permanently laid off from their Delphi Automotive Systems plant.

Accordingly, the Corporation assured the Union that employees of Delphi Automotive Systems with one or more years seniority who are permanently laid off in a reduction in force will be given consideration for employment as a new hire in other Delphi plants in the same labor market area.

For purposes of this policy, the "same labor market" is defined as the following Delphi Automotive Systems plants located in the Dayton, Ohio area:

Harrison Thermal
Delphi Energy and Chassis-Wisconsin/
Needmore
Delphi Energy and Chassis-Kettering

It is understood that such consideration for employment will only be extended to such laid off Delphi employees after all other prior contractual commitments and other obligations have been met with respect to hiring at the above-cited facilities.

In order to receive consideration for hire under this policy it will be necessary for such laid off Delphi employees to make application in person at the facility(s) at which they desire consideration.

Any complaints regarding the application of this policy may be taken up with the Delphi Management

by the Local Shop Committee and if not resolved, may be reviewed by the Labor Relations Staff of the Corporation and the International Union; however, this policy shall not be the basis for any claims for back wages or any form of retroactive adjustments.

**STATEMENT OF POLICY REGARDING
EMPLOYMENT OF LAID OFF DELPHI
ENERGY AND CHASSIS SYSTEMS
EMPLOYEES - OUTSIDE DAYTON AREA**

During the current Negotiations, the parties discussed the subject of USWA-represented employees who are permanently laid off from their Delphi Automotive Systems plant.

Accordingly, the Corporation assured the Union that USWA-represented employees of Delphi Automotive Systems with one or more years seniority who are permanently laid off in a reduction in force will be given consideration for employment as a new hire in other Delphi plants.

It is understood that such consideration for employment will only be extended to such laid off Delphi employees after all other prior contractual commitments and other obligations have been met.

In order to receive consideration for hire under this policy, it will be necessary for such laid off Delphi employees to make application in person at the facility(s) at which they desire consideration.

Any complaints regarding the application of this policy may be taken up with the Delphi Management by the Local Shop Committee and if not resolved, may be reviewed by the Labor Relations Staff of the Corporation and the International Union; however, this policy shall not be the basis for any claims for back wages or any form of retroactive adjustments.

Doc No. 61

**STATEMENT OF POLICY REGARDING
EMPLOYMENT OF LAID OFF DELPHI
ENERGY AND CHASSIS SYSTEMS
EMPLOYEES AS A RESULT OF A
TRANSFER OF OPERATIONS**

During the current Negotiations the parties discussed the subject of USWA-represented employees who may be permanently laid off from their Delphi Automotive Systems plant because of a transfer of major Delphi operations from the Dayton, Ohio area to a new Delphi plant.

Accordingly, the Corporation will give preference to the applications of such affected laid off Delphi employees with seniority, at that new location as a new hire.

It is understood that such consideration for employment will only be extended to such laid off Delphi employees after all other prior contractual commitments and other obligations have been met with respect to hiring at the new location.

In order to receive consideration for hire under this policy it will be necessary for such laid off Delphi employees to make application in person at that new facility.

Any complaints regarding the application of this policy may be taken up with the Delphi Management by the Local Shop Committee and if not resolved, may be reviewed by the Labor Relations Staff of the Corporation and the International Union; however, this policy shall not be the basis for any claims for back wages or any form of retroactive adjustments.

EXPANSION OF OPERATIONS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

This will confirm our verbal commitment that during the term of the current Main Agreement where there is an expansion of operations of the USWA-represented plants of Delphi Automotive Systems in Dayton/Home Avenue and surrounding communities for the purpose of producing products similar to those now being produced in those plants, such expansion of operation shall be regarded as an accretion to the existing USWA unit and recognition will be extended to the USWA as the collective bargaining representative for employees traditionally represented by the USWA provided that extending recognition does not violate existing law.

Very truly yours,

Bernard J. Quick
Director Labor Relations

Doc No. 63

**MEMORANDUM OF UNDERSTANDING
REGARDING TRANSFER OF
OPERATIONS AT DELPHI ENERGY AND
CHASSIS SYSTEMS**

It is agreed between the parties that agreements reached during the 1982 Negotiations regarding the transfer of operations at Delphi Energy and Chassis Systems will be subject to review between the Corporation, the UAW, the IUE and USWA.

Disputes arising from this review will be discussed in an attempt to reach a satisfactory adjustment of such disputes.

International Union	Delphi Automotive Systems
USWA Local 87	Delphi Energy and Chassis Systems

TUITION REFUND PROGRAM

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

Delphi Automotive Systems offers and administers a Tuition Refund Program under which employees will, under such terms and conditions as the Corporation may from time to time establish, receive a tuition refund not to exceed \$1,535 for the calendar year (\$2,535 for the calendar year for approved courses taken at an accredited college) upon completion of an approved job-related course at an approved educational or training institution during non-working hours while on the active role of the Company. Any refund made to an eligible employee will relate to the calendar year of completion of the approved course or courses.

The following programs are considered job related and will be approved when the needs cannot be met within the Corporation:

- (a) Courses which will improve the employee's skill on his present job. This includes courses designed to update employees in the technology of their trade or occupation.
- (b) Courses which relate to the next job in the logical development of an employee's career.
- (c) Courses which will prepare an employee for openings that are expected to occur in the future and for which a sufficient number of qualified employees are not available.

- (d) Courses taken to complete the requirement for a grammar school certificate or high school diploma.
- (e) Any literacy course or courses in fundamental reading and mathematics. These include courses usually designed to teach sixth grade competency in reading, writing and numerical skills.
- (f) Any required or pertinent elective courses taken in a degree-seeking program in a field related to the employee's job or appropriate to his/her career in Delphi Automotive Systems.

Additionally, the spouse or dependent children of a deceased active employee will be entitled to utilize the remaining balance of the employee's annual Tuition Refund eligibility for college or educational pursuits during a period of one year following the date of the employee's death.

In addition to the above, an employee who is laid off due to the closing of the plant, and, at the time of such layoff, had five (5) or more years of seniority, may utilize the Tuition Refund Program for the purpose of vocational training to qualify for any available or potential employment opportunities. This expanded tuition refund eligibility shall not exceed \$1,535/\$2,535 for courses taken at an accredited college and the employee must apply for such refund within 24 months from the effective date of layoff.

Very truly yours,

Ralph E. Handley
Executive Director
Industrial Relations

RETIREE TUITION ASSISTANCE PLAN
DELPHI AUTOMOTIVE SYSTEMS

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

This will confirm the understanding reached during the present negotiations that a Retiree Tuition Assistance Plan (including personal enhancement courses approved by recognized accreditation agencies and those approved by government education or training programs) for retired USWA (Local 87) represented Delphi employees shall continue to be funded under the Tuition Assistance Program. Retirees would be eligible to take classes approved on-site at the plant or local union hall at the location from which they retired. The courses offered to retirees must be those that are available to the active workforce.

The program provides up to \$1,250 per calendar year per retiree for the prepayment of tuition and compulsory fees for approved courses leading to credits or degrees only offered on-site by approved educational institutions or courses included in a special range of approved competency based courses, including non credit and non degree courses or activities.

The plan will be administered by the Local Joint Activities Committee. The Committee has the authority and discretion to interpret the terms of the pilot including, but not limited to, school and course approval, location of courses and program guidelines.

In addition, the grievance procedure set forth in the Delphi-USWA Agreement has no application to or jurisdiction over any matter related to this joint program.

Very truly yours,

Bernard J. Quick
Director Labor Relations

**USWA-DELPHI SCHOLARSHIP PROGRAM
FOR DEPENDENT CHILDREN
DELPHI AUTOMOTIVE SYSTEMS**

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations, the parties discussed the importance of continuing education for school-aged dependent children of USWA-represented employees. In this regard, the International Union and the Corporation have agreed to continue the USWA-Delphi Scholarship Program for Dependent Children.

The joint committee established by the Local Joint Activities Committee will continue to direct the delivery of the program based on the following parameters:

- Eligibility: Dependent children of active, retired, or deceased USWA-represented employees who are pursuing post-secondary education or training at an institution accredited by a governmental or nationally recognized agency are eligible to apply for continuing education support.
- Amount of Support: An annual voucher of up to a maximum of \$1,250 will be distributed directly to the recipient's educational institution for tuition and/or compulsory fees.
- Funding: Funding for this program, including administrative costs, will be provided through Joint National Funds. Total annual funding and expendi-

tures for this program will be determined by the Local Joint Activities Committee.

- Administrative procedures: The Program will be jointly administered by the National Joint Activities and Training Committee.
- Payments under the USWA-Delphi Scholarship Program for Dependent Children will be subject to applicable federal, state, and local income tax provisions.

The Grievance Procedure set forth in the current Delphi-USWA National Agreement has no application to, or jurisdiction over, any matter related to this program.

Very truly yours,

Ralph E. Handley
Executive Director
Industrial Relations

JOINT PROGRAM REPRESENTATIVES

December 8, 1999

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During these negotiations the parties discussed at length the need to focus our current joint program representatives on specific programs designed to assist our employees and the management in implementation of an improved working environment.

Over the years, we have agreed to a number of different joint program representatives appointed by the International Union, USWA, and, in some cases, by the local management and union leadership to carry out and administer certain negotiated agreement programs in the following functions:

- Health and Safety
- Joint Activities
- Placement
- Employee Assistance Program
- Human Resource Development
- Joint Training
- Quality Network

Each plant in Delphi Automotive Systems, depending on employee population, may have employees assigned to the above functions. Each time new programs have been negotiated, people were assigned to per-

form the tasks associated with each program to the extent that we now have several well-trained experts in those fields. The parties recognize that over the years priorities have shifted and, as a result, there is a need to carefully analyze the programs that currently require increased emphasis, such as, employee assistance, health and safety, etc. As a result, the parties have concluded that these well-trained resources can now be deployed or reassigned to programs requiring special attention.

It is recognized that each plant location has its own unique culture and needs; therefore, the local joint leadership group (Plant Manager, Personnel Director, Local Union President and Local Union Executive Board) will determine where their current full time representatives will be allocated to best serve the employees of the organization. It is recognized that at some locations additional representatives may be required to perform tasks associated with the newly determined local focus and at others less. In any event, the total number of new and current full-time joint program representatives shall not exceed the number provided for below:

Plant Population	Number of Representatives
Up to 200	1
201 to 400	2
401 to 600	3
601 to 1,000	4
1,001 to 5,000	Ratio of 1:250
5,001 and above	Ratio of 1:275

In the case of bargaining units between 1,001 to 5,000 and 5,001 and above, the number of representatives in a given bargaining unit will be determined by the number of represented employees (active, temporary layoff and Protected) divided by the appropriate ratio number. Where the fraction of the result is .5,

and above, the number will be rounded up to the next highest whole number and where the fraction is less than .5 rounded down to the whole number.

Nothing in this agreement limits or is intended to interfere with any local mutually agreed upon projects or initiatives falling outside the scope of this document that may provide additional staff resources to meet the specific objectives of the local parties.

Following the effective date of this agreement, each plant will submit an updated plan for redeployment of these resources by February 1, 1994 in accordance with specific guidelines issued by the Corporation. Such plan will include the names and assignments for each of the local representatives assigned to Joint Programs and will be forwarded to the Corporation Labor Relations Staff for approval prior to implementation. Likewise, as individual plant needs and priorities change, the local parties are afforded the flexibility to submit revised plans for approval.

When plant population changes occur which would increase or decrease the number of representatives, such population changes must be in effect for a period of six consecutive months before such adjustment is made in the number of representatives, in which case such adjustment will be made at the conclusion of the six month period. In the event such population change results from the discontinuance or addition of a shift, the opening of a plant, or the cessation of a plant's operations, the adjustment in the number of representatives will be made within the first twenty working days following the first day such population change occurs. Other situations involving a sudden significant change in the number of employees at a location may be discussed by the Corporation and the Union.

When a reduction or increase in plant population calls for a change in the number of representatives,

the local parties will be required to submit a revised deployment of resources plan for approval.

It is understood that the Representatives redeployed in these locally determined areas of special focus and attention may require additional training. It is agreed that such training will be provided utilizing National Training Funds subject to the approval of the National Joint Activities and Training Committee.

It is agreed that such representatives shall function in accordance with governing provisions of the Delphi-USWA Main Agreement germane to their area of focus.

Longer range, the National Joint Activities and Training committee will establish a joint process aimed at effectively consolidating, simplifying, integrating, focusing and achieving better utilization of Joint programs at the plant level.

The spirit and intent of this document is to provide increased focus on joint employee programs and to more fully utilize the experience and talents of the representatives assigned to joint programs. The parties are committed to working together in a spirit of cooperation to improve our relationship and the effectiveness of our joint programs. The result of such cooperation will improve the working environment in the plant for all employees.

Any problems relating to the implementation of this document may be raised by either party and it is understood that any necessary modifications may be made by mutual agreement between the Corporation and the Union.

Very truly yours,

Bernard J. Quick
Director Labor Relations

Doc. No. 74

ECONOMIC ISSUES

December 8, 1999

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

In discussions leading to this agreement the parties agreed that the provisions contained in the 2003 National Agreement negotiated with the UAW and IUE would be passed through to USWA Local 87 where the Agreement with Local 87 of the USWA has identical or substantially identical contractual or benefit provisions. In those cases where Local 87 does not have identical or substantially identical provisions, for example Legal Services and SUB, the parties will meet to discuss the applicability of those provisions to the Agreement between Delphi Automotive Systems and Local 87 of the USWA and the manner in which these items can be translated into the Delphi-USWA Agreement. However, the parties agree that Local 87 of the USWA will not be disadvantaged but will receive the same or equivalent improvements contained in the 2003 National Agreements between Delphi and the UAW and IUE.

In the event the Union believes that they have not received equivalent treatment to the UAW or IUE, the matter will be presented to arbitration. The selection of the Arbitrator will be by mutual agreement. The parties will also prepare and exchange at least 30 days prior to the arbitration hearing a written brief contain-

ing the issues in dispute and the parties position and supporting arguments. The arbitration hearing will be conducted in the manner prescribed in Paragraph (41) of the Main Agreement. The fees and expenses of the Arbitrator will borne in the manner provided in Paragraph (40) of the Main Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

Exhibit C

2003 USWA Changed Language	
Related TrngA01	Related Training/Apprentice Wage Rates
62t-62uA01	
86b_87_88A01	Additional Payment/Shift Assignments
093aA01	General Increases
093bA01	Wage Increase
093cA01	Performance Bonus Payment
093dA01	NEW
093eA01	NEW
94a-94hA01	
94fA01	COLA
101A01	Holiday Pay
120fA01	NEW
121 & 121aA01	
126A01	Jury Duty
126aA01	Bereavement
D38A01	Bereavement/Advanced Vacation Pay
D48A01	COLA Computation
D56A01	Up-Front Lump Sum Payment
D64A01	Tuition Refund Program
D64(A)	Retiree Tuition Assistance Plan
D64(B)	Scholarship Program for Dependent Children
xaolA01	AOL
xcarvoucherA01	Car Vouchers for Retirees

2003 USWA Changed Language	
xd74-01	HOLD until further notice
xtech-01	HOLD until further notice

Related Training

(e) Each apprentice shall be required during the period of this apprentice program, to complete a program of related and supplemental classroom instructions not to exceed 576 hours during a four-year training course. Exceptions up to a maximum of 672 hours may be jointly recommended for specific classifications by the Local Apprentice Committee subject to approval by the Corporation's Labor Relations Staff.

(f) Time spent by the apprentice in connection with related training shall not be considered time worked under this Agreement; nevertheless, time spent by the apprentice in taking required related training shall be paid for at the apprentice's straight time hourly rate.

(g) The Corporation agrees to pay, on behalf of apprentices covered by this Agreement, registration fees and/or tuition required in connection with related training under the apprentice program, but not to exceed 576 hours of related training.

Apprentice Wage Rates

(h) Effective with the effective date of this Agreement, the straight time hourly wage rates (exclusive of Cost-of-Living Allowance and shift premium) for apprentices in the bargaining unit shall be the rates set forth in the following Apprentice Rate schedule:

Apprentice Training Period	Hourly Rate*
1st 916 Hours	\$21.08 <u>25.03</u>
2nd 916 Hours	21.21 <u>25.19</u>
3rd 916 Hours	21.21 <u>25.19</u> plus 9% of "Rate Difference"
4th 916 Hours	21.21 <u>25.19</u> plus 25% of "Rate Difference"
5th 916 Hours	21.21 <u>25.19</u> plus 33% of "Rate Difference"
6th 916 Hours	21.21 <u>25.19</u> plus 48% of "Rate Difference"
7th 916 Hours	21.21 <u>25.19</u> plus 66% of "Rate Difference"
8th 916 Hours	21.21 <u>25.19</u> plus 86% of "Rate Difference"

DATE INITIALED: _____

INITIALED BY PARTIES: _____

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20 9, per B. Page - G. Adams notified 6/7/04

*The "Rate of Difference" shall be determined by subtracting the sum of \$.20 and the Hourly Rate for the 2nd 916 Hours from the maximum rate established in the Local Wage Agreement for the journeyman/woman classification for which the apprentice is in training. Resultant rates shall be rounded to the nearest 1 cent.

(i) Notwithstanding the foregoing provisions, a seniority employee transferred to apprentice training shall be transferred at his/her current rate or the rate of ~~\$22.74~~26.84 per hour, whichever is lower, provided, however, that in no event will his/her 1st Period Rate be lower than a rate of ten cents (10¢) over the 1st Period Hourly Rate set forth above. Upon his/her completion of that 1st Period, he/she shall be paid a rate of ~~\$21.57~~25.58 or his/her first period rate, whichever is higher, and if retained, shall be paid such rate until he/she qualifies for a higher rate in accordance with the Apprentice Rate Schedule.

The ~~\$22.74~~26.84 and ~~\$21.57~~25.58 rates shown in the above paragraph will become ~~\$23.42~~27.38 and ~~\$22.22~~26.09 on September ~~18, 2000~~19, 2005; and ~~\$24.12~~28.20 and ~~\$22.89~~26.87 on September ~~17, 2001~~16, 2002; and ~~\$24.84~~ and ~~\$23.58~~ on September 16, 2002.

(j) Upon graduation, an apprentice will receive an increase, if retained, to the midpoint of the rate range for the skilled classification to which he/she is assigned.

(k) The above Apprentice Rate Schedule automatically provides for all increases in straight time hourly wage rates which are effective on the effective date of this Agreement. The wage increases provided for in Paragraphs (93a) ~~(93b)~~ shall be added to the fixed portion of the Hourly Rate in the Apprentice Rate Schedule and to the above stated ~~\$22.74~~26.84 and ~~\$21.57~~25.58 rates and the straight time hourly wage rates for individual apprentices shall be determined only in accordance with the provisions of this Paragraph (62r) (8).

(62r) (9) Each apprentice classification in the apprentice program shall be included within the Special Non-interchangeable Occupational Group to which it is assigned. (See Seniority Section "B-II")

(62r) (10) Upon graduation or transfer to another classification, the seniority of the apprentice shall start from the date of the Apprentice Training Agreement or his/her plant seniority date established pursuant to Paragraph (49), whichever is later.

(62r) (11) Any problems involving apprentice related training schedules which cannot be settled by the Apprentice Committee shall not be subject to the grievance procedure. Such problems will be reviewed by the Corporation's Labor Relations Staff.

(5) To approve Pre-Apprentice Training Programs and to review and make disposition of other apprentice training matters referred to the Committee by the local Apprentice Committee.

(62t) Upon completion of apprenticeship, a Delphi ~~Automotive Systems Corporation~~ Standard Apprentice Plan certificate shall be issued by the Corporation to the apprentice. The local Apprentice Committee will recommend to the Bureau of Apprenticeship and Training, U.S. Department of Labor, or to the State agency, where appropriate, that a certificate signifying completion of the apprenticeship be issued to the apprentice.

(62u) As soon as practicable after being placed in an apprentice group, the apprentice will be furnished an appropriate tool box which will become the property of the apprentice upon graduation. At the same time, and also upon satisfactory completion of the first period of 916 hours of work, he/she will be paid an allowance of \$150.00 for the purchase of tools, books and supplies. Upon satisfactory completion of the second, third, fourth, fifth, sixth and seventh periods of 916 hours of work in the apprentice program, the apprentice will be paid \$100.00 for the purchase of tools, books and supplies. Management will assist the apprentice in obtaining tools. Upon completion of all shop and related training requirements and graduation, the apprentice will receive the balance, if any, of the total allowance of ~~\$1,000.00~~ \$1,200.00 less any tool allowance payments previously received.

(5) If such an employee receives holiday pay pursuant to Paragraph (101d) for a particular holiday on which he/she does not work, that holiday will be counted as a day worked for the purpose of computing six or seven day premium under sub-paragraphs (1), (2) and (4) above.

Additional Payment

(86b) Employees working in necessary continuous seven-day operations, as defined in Paragraph (86a), shall be paid an additional ~~twenty-five~~thirty (\$~~25~~30) cents per hour for all time worked while so assigned which shall be included in computing vacation entitlement pay, Independence Week shutdown pay, holiday pay, bereavement pay, jury duty pay, short-term military duty pay, overtime and night shift premium.

Non-Duplication

(87) Premium payments shall not be duplicated for the same hours worked under any of the terms of this working hours section.

SHIFT ASSIGNMENTS

(88) Within practical limitations, employees with longest seniority within their job classifications will be assigned to the most desirable shift. Therefore, in determining the employee's shift, providing all other factors are equal and there is no resulting loss in efficiency of operation or quality of workmanship, seniority will prevail. However, due to the various factors which determine the practical aspects of this problem, the Management reserves the right to make exceptions to this policy for temporary periods, the length of such temporary periods to be determined by negotiation on the basis of conditions existing at that time.

DATE INITIALED:_____

INITIALED BY PARTIES:_____

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(1) The arrangement for entry into the plant must be made with local Management previous to the date such entry is desired. This may be made verbally. The name of the other local Union member who is to accompany either the President or the Vice President, as the case may be, will also be submitted at this time.

(2) A time during regular working hours which is mutually agreeable for such visit will be arranged.

(3) Management representatives may accompany the President or Vice President and local Union member during such visit.

(93a) General Increases. Effective ~~September 20, 1999, September 18, 2000, September 17, 2001, and September 16, 2002~~ 19, 2005 each employee covered by this agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost of living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

Straight Time Hourly Wage Rates	Improvement Factor Increases
Less than 10.83	32¢
10.84 11.16	33¢
11.17 11.49	34¢
11.50 11.83	35¢
11.84 12.16	36¢
12.17 12.49	37¢
12.50 12.83	38¢
12.84 13.16	39¢
13.17 13.49	40¢
13.50 13.83	41¢
13.84 14.16	42¢
14.17 14.49	43¢
14.50 14.83	44¢
14.84 15.16	45¢

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15.17	15.49	46¢
15.50	15.83	47¢
15.84	16.16	48¢
16.17	16.49	49¢
16.50	16.83	50¢
16.84	17.16	51¢
17.17	17.49	52¢
17.50	17.83	53¢
17.84	18.16	54¢
18.17	18.49	55¢
18.50	18.83	56¢
18.84	19.16	57¢
19.17	19.49	58¢
19.50	19.83	59¢
19.84	20.16	60¢
20.17	20.49	61¢
20.50	20.83	62¢
20.84	21.16	63¢
21.17	21.49	64¢
21.50	21.83	65¢
21.84	22.16	66¢
22.17	22.49	67¢
22.50	22.83	68¢
22.84	23.16	69¢
23.17	23.49	70¢
23.50	23.83	71¢
23.84	24.16	72¢
24.17	24.49	73¢
24.50	24.83	74¢
24.84	25.16	75¢
25.17	25.49	76¢
25.50	25.83	77¢
25.84	26.16	78¢
26.17	26.49	79¢
26.50	26.83	80¢
26.84	27.16	81¢
27.17	27.49	82¢
27.50	27.83	83¢
27.84	28.16	84¢
28.17	28.49	85¢
28.50	28.83	86¢
28.84	29.16	87¢
29.17	29.49	88¢
29.50	29.83	89¢
29.84	30.16	90¢
<u>Less than 13.08</u>		<u>25¢</u>
<u>13.08 – 13.24</u>		<u>26¢</u>
<u>13.25 – 13.74</u>		<u>27¢</u>
<u>13.75 – 14.24</u>		<u>28¢</u>
<u>14.25 – 14.74</u>		<u>29¢</u>

14.75 – 15.24	30¢
15.25 – 15.74	31¢
15.75 – 16.24	32¢
16.25 – 16.74	33¢
16.75 – 17.24	34¢
17.25 – 17.74	35¢
17.75 – 18.24	36¢
18.25 – 18.74	37¢
18.75 – 19.24	38¢
19.25 – 19.74	39¢
19.75 – 20.24	40¢
20.25 – 20.74	41¢
20.75 – 21.24	42¢
21.25 – 21.74	43¢
21.75 – 22.24	44¢
22.25 – 22.74	45¢
22.75 – 23.24	46¢
23.25 – 23.74	47¢
23.75 – 24.24	48¢
24.25 – 24.74	49¢
24.75 – 25.24	50¢
25.25 – 25.74	51¢
25.75 – 26.24	52¢
26.25 – 26.74	53¢
26.75 – 27.24	54¢
27.25 – 27.74	55¢
27.75 – 28.24	56¢
28.25 – 28.74	57¢
28.75 – 29.24	58¢
29.25 – 29.74	59¢
29.75 – 30.24	60¢
30.25 – 30.74	61¢
30.75 – 31.24	62¢
31.25 – 31.74	63¢
31.75 – 32.24	64¢
32.25 – 32.74	65¢
32.75 – 33.24	66¢
33.25 – 33.74	67¢
33.75 – 34.24	68¢
34.25 – 34.74	69¢
34.75 – 35.24	70¢
35.25 – 35.74	71¢

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

~~——The wage increase provided above shall be paid retroactively for all hours worked on and after September 20, 1999, provided however, that for purpose of applying Exhibits A, B, D and E, attached hereto, and letter agreements with respect thereto, the wage rate of an employee shall not be increased by such wage increase prior to the effective date of this Agreement.~~

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((93b) Effective September 18, 2006 each employee covered by this agreement shall receive a wage increase in the employee's straight time hourly wage rate (exclusive of cost-of-living allowance, shift premium, seven-day operations premium, and any other premiums), in accordance with the following table:

Straight Time Hourly Wage Rate	Improvement Factor Increase
Less than - 13.34.....	39¢
13.34 - 13.49.....	40¢
13.50 - 13.83.....	41¢
13.84 - 14.16.....	42¢
14.17 - 14.49.....	43¢
14.50 - 14.83.....	44¢
14.84 - 15.16.....	45¢
15.17 - 15.49.....	46¢
15.50 - 15.83.....	47¢
15.84 - 16.16.....	48¢
16.17 - 16.49.....	49¢
16.50 - 16.83.....	50¢
16.84 - 17.16.....	51¢
17.17 - 17.49.....	52¢
17.50 - 17.83.....	53¢
17.84 - 18.16.....	54¢
18.17 - 18.49.....	55¢
18.50 - 18.83.....	56¢
18.84 - 19.16.....	57¢
19.17 - 19.49.....	58¢
19.50 - 19.83.....	59¢
19.84 - 20.16.....	60¢
20.17 - 20.49.....	61¢
20.50 - 20.83.....	62¢
20.84 - 21.16.....	63¢
21.17 - 21.49.....	64¢
21.50 - 21.83.....	65¢
21.84 - 22.16.....	66¢
22.17 - 22.49.....	67¢

(**DATE INITIALED:**_____

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22.50 - 22.83.....	68¢
22.84 - 23.16.....	69¢
23.17 - 23.49.....	70¢
23.50 - 23.83.....	71¢
23.84 - 24.16.....	72¢
24.17 - 24.49.....	73¢
24.50 - 24.83.....	74¢
24.84 - 25.16.....	75¢
25.17 - 25.49.....	76¢
25.50 - 25.83.....	77¢
25.84 - 26.16.....	78¢
26.17 - 26.49.....	79¢
26.50 - 26.83.....	80¢
26.84 - 27.16.....	81¢
27.17 - 27.49.....	82¢
27.50 - 27.83.....	83¢
27.84 - 28.16.....	84¢
28.17 - 28.49.....	85¢
28.50 - 28.83.....	86¢
28.84 - 29.16.....	87¢
29.17 - 29.49.....	88¢
29.50 - 29.83.....	89¢
29.84 - 30.16.....	90¢
30.17 - 30.49.....	91¢
30.50 - 30.83.....	92¢
30.84 - 31.16.....	93¢
31.17 - 31.49.....	94¢
31.50 - 31.83.....	95¢
31.84 - 32.16.....	96¢
32.17 - 32.49.....	97¢
32.50 - 32.83.....	98¢
32.84 - 33.16.....	99¢
33.17 - 33.49.....	1.00
33.50 - 33.83.....	1.01
33.84 - 34.16.....	1.02
34.17 - 34.49.....	1.03
34.50 - 34.83.....	1.04
34.84 - 35.16.....	1.05
35.17 - 35.49.....	1.06
35.50 - 35.83.....	1.07
35.84 - 36.16.....	1.08
36.17 - 36.49.....	1.09

NOTE: In the case of a classification, the rate for which is determined by a wage rule in the Local Wage Agreement relating the rate for the classification to the rate for another classification or classifications, the above table will determine the rate for the classification where there is a conflict with such wage rule.

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(93c)

Performance Bonus Payments. The Performance Bonus provided herein recognizes that a continuing improvement in the standard of living of employees depends upon technological progress, better tools, methods, processes and equipment, and a cooperative attitude on the part of all parties in such progress. It further recognizes the principle that to produce more with the same amount of human effort is a sound economic and social objective. Accordingly, a Performance Bonus payment will be made to each eligible employee in accordance with the following table:

<u>Eligibility Date</u>	<u>Amount</u>	<u>Payable During Week Ending</u>
<u>September 20, 2004</u>	<u>Three percent (3%) Of Qualified Earnings</u>	<u>October 17, 2004</u>

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An employee shall become eligible for a Performance Bonus payment as hereinafter defined, provided an employee has seniority as of the designated eligibility date set forth above.

An employee's Performance Bonus will be based on the qualified earnings during the 52 consecutive pay periods immediately preceding the pay period in which each designated eligibility date falls.

Qualified Earnings, as used herein, are defined as income received by an eligible employee from Delphi Corporation during each designated Performance Bonus eligibility year resulting from the following:

Hourly Base Wages*
COLA*
Shift Premium*
Vacation Entitlement
Holiday Pay

DATE INITIALED:_____

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Independence Week Shutdown Pay
Seven-Day Operator Premium
Bereavement Pay
Jury Duty Pay
Apprentice Pay
Call-in Pay
Short Term Military Duty Pay
Back pay awards related to the designated
eligibility year.

- * Including overtime, Saturday, Sunday and
Holiday premium payments.

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(93d) An employee who retires during the Performance Bonus eligibility year provided in (93c) and who, but for such retirement, would have had seniority as of the designated eligibility date, shall qualify for the Performance Bonus as defined in (93c)

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(93e) In the case of employees who die during the Performance Bonus eligibility year, a Performance Bonus shall become payable as if they were seniority employees on the designated eligibility date and calculated based on their Qualified Earnings during the eligibility year as defined in (93c) above. Such Performance Bonus shall be paid to their duly appointed legal representatives, if there be one, and, if not, to the spouses, parents, children or other relatives or dependents of such persons as the Corporation in its discretion may determine.

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((94a) Each employee covered by this Agreement shall receive a Cost of Living Allowance in accordance with the provisions of Paragraphs (94c) and (94f).

(94b) It is agreed that only the Cost of Living Allowance will be subject to reduction so that, if a sufficient decline in the cost of living occurs, employees will immediately enjoy a better standard of living.

(94c) The Cost of Living Allowance provided for in Paragraph (94a) shall be added to each employee's straight time hourly rate and will be adjusted up or down as provided in Paragraphs (94e) and (94f).

((94d) The Cost of Living Allowance will be determined in accordance with changes in the official Consumer Price Index for Urban Wage Earners and Clerical Workers (~~revised-current series~~), CPI-W) (for all items, less medical care, not seasonally adjusted) (United States City Average) published by the Bureau of Labor Statistics (~~1967~~1982-1984=100).

((94e) Effective with the date of this Agreement, ~~but after the application of the wage-increase provided in Paragraph (93a), \$-85~~\$2.00 shall be deducted from the ~~\$-90~~\$2.05 Cost of Living Allowance in effect immediately prior to that date and ~~\$-85~~\$2.00 shall be added to the base wage rates (minimum, intermediary and maximum) for each classification in effect on that date. Thereafter during the period of this Agreement, adjustments in the Cost of Living Allowance shall be made at the following times:

DATE INITIALED:_____

INITIALED BY PARTIES:_____

Effective Date of Adjustment	Based Upon Three- Month Average of the Consumer Price Index For
December 6, 1999 <u>2003</u>	August, September, October 1999 <u>2003</u>
First Pay Period..... beginning on or after: March 1, 2000 <u>2004</u> and at three-calendar month intervals thereafter to June 1 , 2003 <u>4</u> , <u>2007</u> .	November, December, 1999 <u>2003</u> and January 2000 <u>2004</u> and at three- calendar month intervals thereafter to February, March, April 2003 <u>2007</u> .

In determining the three-month average of the indexes for a specified period, the computed average shall be rounded to the nearest ~~0.10~~0.01 Index Point.

In no event will a decline in the three-month Combined Consumer Price Index below ~~484.1~~174.12 provide the basis for a reduction in the wage scale by job classification.

(94f) The amount of the Cost of Living Allowance shall be five cents (5¢) per hour effective with the effective date of this Agreement and ending December 5, 1999. Effective December 6, 1999, and for any period thereafter as provided in Paragraphs (94b) and (94e), the Cost of Living Allowance shall be in accordance with the following table:

Three-Month Average Consumer Price Index	Cost-of-Living Allowance
484.1 or less.....	None
484.2 - 484.4	1¢ per hour
484.5 - 484.6	2¢ per hour
484.7 - 484.9	3¢ per hour
485.0 - 485.2	4¢ per hour
485.3 - 485.4	5¢ per hour
485.5 - 485.7	6¢ per hour
485.8 - 485.9	7¢ per hour
486.0 - 486.2	8¢ per hour
486.3 - 486.4	9¢ per hour

And so forth with 1¢ adjustment for each 0.25 change in the Average Index and will be calculated in accordance with the Letter of Understanding signed by the parties.

(94g) The amount of any Cost of Living Allowance in effect at the time shall be included in computing overtime premium, night shift premium, vacation payments, Independence Week shutdown pay, holiday payments, call-in pay, bereavement pay, jury duty pay and short term military duty pay.

(94h) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in Paragraph (94e), any adjustments in the Cost of Living Allowance required by such appropriate index shall be effective at the beginning of the first pay period after receipt of the index.

In no event will a decline in the three-month Combined Consumer Price Index below 484.1 provide the basis for a reduction in the wage scale by job classification.

(94f) The amount of the Cost of Living Allowance shall be five cents (5¢) per hour effective with the effective date of this Agreement and ending ~~December 5, 1999~~ November 30, 2003. Effective ~~December 6, 1999~~ 1, 2003, and for any period thereafter as provided in Paragraphs (94b) and (94e), the Cost of Living Allowance shall be in accordance with the following table:

Three-Month Average Consumer Price Index	Cost of Living Allowance
484.1 or less	None
484.2 - 484.4	1¢ per hour
484.5 - 484.6	2¢ per hour
484.7 - 484.9	3¢ per hour
485.0 - 485.2	4¢ per hour
485.3 - 485.4	5¢ per hour
485.5 - 485.7	6¢ per hour
485.8 - 485.9	7¢ per hour
486.0 - 486.2	8¢ per hour
486.3 - 486.4	9¢ per hour
<u>174.12 or less</u>	<u>None</u>
<u>174.13 - 174.20</u>	<u>1¢ per hour</u>
<u>174.21 - 174.28</u>	<u>2¢ per hour</u>
<u>174.29 - 174.36</u>	<u>3¢ per hour</u>
<u>174.37 - 174.44</u>	<u>4¢ per hour</u>
<u>174.45 - 174.53</u>	<u>5¢ per hour</u>
<u>174.54 - 174.61</u>	<u>6¢ per hour</u>
<u>174.62 - 174.69</u>	<u>7¢ per hour</u>
<u>174.70 - 174.77</u>	<u>8¢ per hour</u>
<u>174.78 - 174.85</u>	<u>9¢ per hour</u>

DATE INITIALED: _____

INITIALED BY PARTIES: _____

And so forth, ~~with 1¢ adjustment for each 0.25 change in the Average Index and will be calculated in accordance with the Letter of Understanding signed by the parties.~~

For each adjustment during the fifteen three-month periods beginning December 1, 2003, and ending on June 3, 2007, in which an increase in the Cost of Living Allowance shall be required according to the above table, the amount of increase so required each three month period shall be reduced by two cents (2¢), or by the amount of the increase, whichever is less.

Following the adjustment for the three-month period beginning June 4, 2007, the sum reduced during the fifteen periods shall be subtracted from the Cost of Living Allowance table, and the table shall be adjusted so that the actual three-month Average Consumer Price Index equates to the allowance payable during the period beginning June 4, 2007.

(94g) The amount of any Cost of Living Allowance in effect at the time shall be included in computing overtime premium, night shift premium, vacation payments, Independence Week shutdown pay, holiday payments, call-in pay, bereavement pay, jury duty pay and short term military duty pay.

(94h) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Index on or before the beginning of one of the pay periods referred to in Paragraph (94e), any adjustments in the Cost of Living Allowance required by such appropriate index shall be effective at the beginning of the first pay period after receipt of the index.

HOLIDAY PAY

((101) Employees shall be paid for specified holidays and the holidays in each of the Christmas holiday periods as provided hereinafter:

1st Year

November ~~15, 1999~~ 14, 2003 Veterans' Day (Observed)
November ~~25, 1999~~ 27, 2003 Thanksgiving
November ~~26, 1999~~ 28, 2003 Day after Thanksgiving
December ~~24, 1999~~ 2003
December 25, 2003
December 26, 2003
December 27, 1999
~~December 28, 1999~~ Christmas Holiday Period
December 29, ~~1999~~ 2003
December 30, ~~1999~~ 2003
December 31, ~~1999~~ 2003
January 1, 2004
January 2, 2004
January ~~17, 2000~~ 19, 2004 Martin Luther King, Jr. Day
April ~~21, 2000~~ 9, 2004 Good Friday
April ~~24, 2000~~ 12, 2004 Day after Easter
May ~~26, 2000~~ 28, 2004 Friday before Memorial Day
May ~~29, 2000~~ 31, 2004 Memorial Day
(or two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),
July ~~4, 2000~~ 5, 2004 (Observed) Independence Day
September ~~4, 2000~~ 6, 2004 Labor Day

2nd Year

November ~~7, 2000~~ 2, 2004 Federal Election Day
November ~~17, 2000~~ 15, 2004 Veterans' Day (Observed)
November ~~23, 2000~~ 25, 2004 Thanksgiving
November ~~24, 2000~~ 26, 2004 Day after Thanksgiving
December ~~25, 2000~~ 24, 2004)
~~December 26, 2000~~)
December 27, ~~2000~~ 2004) Christmas
December 28, ~~2000~~ 2004) Holiday
December 29, ~~2000~~ 2004) Period
December 30, 2004)
December 31, 2004)

DATE INITIALED: _____

INITIALED BY PARTIES: _____

~~January 1, 2001)~~

~~January 15, 2001~~ 17, 2005 Martin Luther King, Jr. Day

~~April 13, 2001~~ March 25, 2005 Good Friday

~~April 16, 2001~~ March 28, 2005 Day after Easter

May 27, 2005 Friday before Memorial Day

~~May 28, 2001~~ 30, 2005 Memorial Day

(or ~~one~~ two other such holidays of greater local importance which must be designated in advance by mutual agreement locally in writing),

~~July 4, 2001~~ 2005 Independence Day

~~September 3, 2001~~ 5, 2005 Labor Day

3rd Year

~~November 16, 2001~~ Veterans' Day (Observed) 8, 2005

Local Election Day

~~November 14, 2005~~ Veteran's Day (Observed)

~~November 22, 2001~~ 24, 2005 Thanksgiving

~~November 23, 2001~~ 25, 2005 Day after Thanksgiving

~~December 24, 2001)~~

~~December 25, 2001)~~

~~December 26, 2001~~ 2005 Christmas Holiday Period

~~December 27, 2001~~ 2005)

~~December 28, 2001~~ 2005)

~~December 31, 2001~~ 29, 2005)

December 30, 2005)

~~January 1, 2002~~ 22, 2006)

~~January 21, 2002~~ 16, 2006 Martin Luther King, Jr. Day

~~March 29, 2002~~ April 14, 2006 Good Friday

~~April 1, 2002~~ 17, 2006 Day after Easter

~~May 27, 2002~~ 29, 2006 Memorial Day

(or one other such holiday of greater local importance which must be designated in advance by mutual agreement locally in writing),

~~July 4, 2002~~ 2006 Independence Day

~~August 30, 2002~~ Friday before Labor Day

~~September 2, 2002~~ 24, 2006 Labor Day

4th Year

~~November 5, 2002~~ 27, 2006 Federal Election Day

~~November 15, 2002~~ 13, 2006 Veterans' Day (Observed)

~~November 28, 2002~~ 23, 2006 Thanksgiving

~~November 29, 2002~~ 24, 2006 Day after Thanksgiving

~~December 23, 2002)~~

~~December 24, 2002)~~

~~December 25, 2002~~ 2006)

~~December 26, 2002~~ 2006) Christmas Holiday Period

December 27, ~~2002~~2006)
December ~~30, 2002~~28, 2006)
December ~~31, 2002~~29, 2006)
January 1, ~~2003~~2007)
January ~~20, 2003~~15, 2007 Martin Luther King, Jr. Day
April ~~18, 2003~~6, 2007 Good Friday
April ~~21, 2003~~9, 2007 Day after Easter
May ~~26, 2003~~28, 2007 Memorial Day
(or one other such holiday of greater local importance
which must be designated in advance by mutual
agreement locally in writing),
July 4, ~~2003~~2007 Independence Day
September ~~1, 2003~~3, 2007 Labor Day
~~November 10, 2003 Veterans' Day~~
providing they meet all of the following eligibility rules
unless otherwise provided herein:

(101a) (1) The employee has
seniority as of the date of each specified holiday and as
of each of the holidays in each of the Christmas holiday
periods, and

(2) The employee would
otherwise have been scheduled to work on such day if it
had not been observed as a holiday, and

(3) The employee must have
worked the last scheduled work day prior to and the
next scheduled work day after each specified holiday
within the employee's scheduled work week.

For each Christmas
holiday period, the employee must have worked the last
scheduled work day prior to each holiday period and
the next scheduled work day after each holiday period.
Failure to work either the last scheduled work day prior
to or the next scheduled work day after each Christmas
holiday period will disqualify the employee for the one
holiday in the Christmas holiday period which follows
or precedes such scheduled work day.

An employee who retires
as of January 1, and who is otherwise eligible for
holiday pay for those holidays falling in the Christmas
holiday period up to and including December 31, will
receive holiday pay for such holiday.

Each of the designated
days in the Christmas holiday period shall be a holiday
for purposes of this Holiday Pay Section.

(101) (3) In order for employees to have maximum time off during the Christmas Holiday Period, employees will only be scheduled for work on the following days, which are not paid holidays under this Agreement, on a voluntary basis, except in emergency situations:

Saturday, December ~~25, 1999~~ 27, 2003

Sunday, December ~~26, 1999~~ 28, 2003

Saturday, January ~~4, 2000~~ 3, 2004

Sunday, January ~~2, 2000~~ 4, 2004

Saturday, December ~~23, 2000~~ 25, 2004

Sunday, December ~~24, 2000~~ 26, 2004

Saturday, ~~December 30, 2000~~ January 1, 2005

Sunday, ~~December 31, 2000~~ January 2, 2005

Saturday, December ~~22, 2001~~ 24, 2005

Sunday, December ~~23, 2001~~ 25, 2005

Saturday, December ~~29, 2001~~ 31, 2005

Sunday, ~~December 30, 2001~~ January 1, 2006

Saturday, December ~~21, 2002~~ 23, 2006

Sunday, December ~~22, 2002~~ 24, 2006

Saturday, December ~~28, 2002~~ 30, 2006

Sunday, December ~~29, 2002~~ 31, 2006

An employee shall not be disqualified for holiday pay if he/she does not accept work on such days. This does not apply to employees on necessary continuous seven day operations.

(101b) When a holiday falls on Saturday, eligible employees shall receive holiday pay provided they have worked the last preceding scheduled work day within the week in which that holiday falls.

(101c) (1) An employee eligible for holiday pay under these provisions shall receive eight (8) hours pay for each of the holidays specified in Paragraph (101), computed at their regular straight time hourly rate, exclusive of overtime premium.

(101c) (2) For holidays specified in Paragraph (101), an eligible employee shall have the night shift premium rate which attached to the straight time hours on his/her last straight time day worked preceding the holiday included in the computation of holiday pay paid pursuant to Paragraph (101c)(1).

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NEW

(120f)

(1) An employee who has at least two (2) years' seniority as of their last vacation eligibility date may apply for forty (40) hours of advance vacation pay. Such payment will be calculated in accordance with Paragraph (120f)(2) and will be paid in the pay period immediately preceding the approved vacation period provided:

- (a) The employee has an approved vacation time off application pursuant to Paragraph (120a);
- (b) The employee is eligible for vacation entitlement pursuant to Paragraph (119g) that is at least equal to the amount of vacation requested;
- (c) The advance payment cannot be requested for consecutive vacation weeks, and can only be requested for an entire pay period;
- (d) The employee makes application for the advance vacation payment, in writing, at least two (2) weeks prior to payment of the advancement; and
- (e) The employee takes the vacation time off. Once the advance vacation is approved, the employee will not be permitted to cancel the vacation time off.

(2) Advance vacation pay paid pursuant to Paragraph (120f) will be calculated on the basis of the employee's regular rate of pay, plus attached night shift premium, not including overtime, at the time the application for advance vacation pay is processed.

(3) Recovery of this advance payment made to an employee who does not meet the requirements of Paragraph (120f)(1)(e) will be made from their next regular paycheck(s).

DATE INITIALED: _____

INITIALED BY PARTIES: _____

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(~~(120f121)~~ (121) It is the intent of the parties to this Agreement that the procedure herein shall serve as a means for peaceable settlement of all disputes that may arise between them.

((121a) During the life of this Agreement, the Corporation will not lockout any employees until all of the bargaining procedure as outlined in this Agreement has been exhausted and in no case on which the Umpire shall have ruled, and in no case on which the negotiations have continued for at least five (5) days between the Corporation and the Union and thereafter not until the matter has been reviewed in a meeting between representatives of the International Union, USWA-A.F.L.-C.I.O/C.L.C., and the Corporation which may be attended by representatives from the Corporation's Labor Relations Staff in Troy, Michigan, and not even then unless a notice of such lockout has been delivered to the Union at least five (5) days prior to such lockout action. In case a lockout shall occur, the Union has the option of canceling the Agreement at any time between the tenth (10th) day after the lockout occurs and the date of its settlement.

DATE INITIALED: _____

INITIALED BY PARTIES: _____

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Jury Duty

(**(126)** An employee with seniority in any Delphi Automotive Systems Corporation plant who is summoned and reports for jury duty (including coroner's juries), as prescribed by applicable law, or who reports for pre-jury duty examination required by the court or administrative governmental agency, shall be paid by the Corporation an amount equal to the difference between the amount of wages (including night shift premium and continuous operations premium) the employee otherwise would have earned by working during straight-time hours for the Corporation on that day and the daily jury duty fee paid by the Court or agency (not including travel allowances or reimbursement of expenses), for the day on which he/she reports for pre-jury duty examination, and for each day on which he/she reports for or performs jury duty and on which he/she otherwise would have been scheduled to work for the Corporation.

(Employees with an established shift starting time on or after 7:00 p.m. and on or before 4:45 a.m. will be excused from work on either their shift immediately preceding the jury service or their shift immediately following the completion of the jury service at the option of the employee. Such employee must notify their immediate supervisor of their election prior to being absent from work.

In order to receive payment, an employee must give Management prior notice that he/she has been directed to report for pre-jury duty examination or has been summoned for jury duty and must furnish satisfactory evidence that he/she reported for such examination or reported for or performed jury duty on the days for which he/she claims such payment. The provisions of this Paragraph (126) are not applicable to an employee who, without being summoned, volunteers for jury duty.

DATE INITIALED:_____

INITIALED BY PARTIES:_____

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Bereavement

(126a) (1) When death occurs in any employee's immediate family, as defined below, and the employee has seniority in any Delphi ~~Corporation~~ Automotive Systems Plant, the employee, on request, will be excused for any of the first three (3) normally scheduled working days or the first five (5) normally scheduled working days in the case of the death of an employee's current spouse, parent, child, or stepchild (excluding Saturdays, Sundays and holidays) immediately following the date of death ~~provided he attends the funeral~~. The five-(5) day limit will also apply in cases of multiple deaths of members of the employee's immediate family resulting from a single incident. The immediate family for purposes of this Paragraph (126a)(1) is defined as including the employee's:

Spouse	Step-Brother
Parent	Half Brother
Step-Parent	Sister
Grandparent	Step-Sister
Great Grandparent	Half Sister
Child	Current Spouse's Parent
Step-Child	Current Spouse's Step-Parent
Grandchild	Current Spouse's Grandparent
Brother	Current Spouse's Great Grandparent

(a) ~~In the event a member of the employee's immediate family as above defined dies while in the active service of the Armed Forces of the United States, the employee may, should the funeral be delayed, have his/her excused absence from work delayed until the period of three normally scheduled working days or the first five (5) normally scheduled working days in the case of the death of an employee's current spouse, child, or stepchild which includes the date of the funeral. In the event the body of a member of the employee's immediate family as above defined is not buried in continental North America solely because the cause of death has physically destroyed the body or the body is donated to an accredited North American~~

DATE INITIALED: _____

INITIALED BY PARTIES: _____

~~hospital or medical center for research purposes, the requirement that the employee attend the funeral will be waived.~~ In the case of an employee who is granted a leave of absence due to the illness of a member of his immediate family, as above defined, and such family member dies within the first seven (7) calendar days of the leave, the requirement that the employee otherwise be scheduled to work will be waived.

(2) An employee excused from work under Paragraph (1) above shall, after making written application, receive the amount of wages he/she would have earned by working during straight time hours on such scheduled days of work for which he/she is excused (excluding Saturdays, Sundays and holidays, or, in the case of employees working in necessary continuous seven-day operations, the sixth and seventh work days of the employee's scheduled working week and holidays).

(3) Payment shall be made at the employee's rate of pay, plus the attached night shift premium if applicable, but not including overtime premium, as of his last day worked.

(4) Time thus paid will not be counted as hours worked for purposes of overtime.

Short Term Military Duty

(126b) An employee with seniority in any Delphi Automotive Systems plant who is called to and performs short-term active duty of thirty (30) days or less, including annual active duty for training as a member of the United States Armed Forces Reserve or National Guard, shall be paid as provided below for days spent performing such duty provided the employee would not otherwise be on layoff or leave of absence.

(1) A payment will be made for each day, except for a day for which he/she receives holiday pay, which the employee would otherwise have worked equal to the amount by which the employee's straight-time rate of pay as of his/her last day worked plus applicable night shift premium (but not including overtime) for not more than eight (8) hours, exceeds his/her military earnings for that day including all allowances except for rations, subsistence and travel. Except for short term active duty of thirty (30) days or less performed by employees called to active service in

(the National Guard by state or federal authorities in case of public emergency (e.g. disaster relief), payment is limited to a maximum of fifteen (15) working days in a calendar year.

(In order to receive payment under this Paragraph (126b), an employee must give local Management prior notice of such military duty and, upon his/her return to work, furnish Management with a statement of the military pay received for performing such duty.

Doc. No. 38

**BEREAVEMENT/ADVANCED
VACATION PAY**

~~December 8, 1999~~

Mr. Dennis Bingham
President Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, Ohio 45417

Dear Mr. Bingham:

During the current negotiations, the parties discussed the possibility of a death of an immediate family member as defined in Paragraph (126a)(1) of the Delphi-USWA Main Agreement occurring during a time in which an employee is on vacation.

This confirms our understanding that if such circumstances occur where the employee has satisfied the requirements of Paragraph (126a)(1) and makes a timely application for bereavement pay, the employee will be entitled to three additional days, or five additional days in the case of the death of an employee's current spouse, parent, child, or stepchild, of vacation time off during his/her vacation eligibility year.

If an employee does not use these days by his/her next vacation eligibility date, he/she shall be compensated for these days at a rate of pay established in accordance with Paragraph (119h) of the Delphi-USWA-Main Agreement. Recovery of overpayments made pursuant to this understanding will be made in accordance with Paragraph (120e).

Very truly yours,

Bernard J. Quick
Director Labor Relations

DATE INITIALED: _____

INITIALED BY PARTIES: _____

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Doc. No. 48

**COLA COMPUTATION
DELPHI AUTOMOTIVE
SYSTEMSCORPORATION**

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, OH 45417

Dear Mr. Bingham:

This letter is to confirm certain agreements reached by ~~Delphi Energy and Chassis Systems~~, ~~Delphi Automotive Systems Corporation~~ and Local Union 87, USWA, AFL-CIO/CLC, regarding the Cost of Living Allowance pursuant to Paragraphs (94a) through (94j) of the Main Agreement.

The table in Paragraph (94f) has been constructed to provide that 1¢ adjustments in the Cost of Living Allowance shall become payable, sequentially, for each 0.3, 0.2, 0.3, 0.2, 0.3, 0.08, 0.08, 0.08, 0.08, 0.08 and 0.09 and 0.2 change in the Index, and so forth, with that sequence of changes being repeated thereafter in the table so as to produce an average adjustment over time of 1¢ for each 0.250.08159 change in the Index.

If the Union claims that the Corporation's calculations in any particular instance were not made in accordance with the terms of this Letter of Understanding, it may pursue such claim in accordance with the provisions of Paragraph (47a) of the Agreement.

Very truly yours,

Bernard J. Quick
Director Labor Relations

DATE INITIALED: _____

INITIALED BY PARTIES: _____

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Doc. No. 56

**UP-FRONT LUMP SUM PAYMENT
DELPHI AUTOMOTIVE
SYSTEMSCORPORATION**

Dennis Bingham, President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, OH 45417

Dear Mr. Bingham:

During the current negotiations, the parties agreed to provide an up-front lump sum payment of ~~\$1,350~~\$3,000 to each eligible employee who is represented by the Union.

Eligible employees who are represented by the Union are defined as those whose status with the Corporation effective ~~October 18, 1999~~ _____ is one of the following:

- (a) Active (excluding those hired pursuant to Appendix M, and any other temporary part-time employee not acquiring seniority);
- (b) On temporary layoff status;
- (c) On one of the following leaves of absence not greater than ninety (90) days:
 - Pursuant to Family and Medical Leave Act
 - Informal (Paragraph 102)
 - Formal (Paragraph 104)
 - Sickness and Accident (Paragraphs 105)
 - Military (Paragraph 112)
 - Educational (Paragraph 107);

DATE INITIALED: _____

INITIALED BY PARTIES: _____

(d) Employees otherwise eligible with retirements processed for an effective date of October 1, ~~1999~~2003 or November 1, ~~1999~~2003.

In addition, should the President - USWA - Local 87 raise any question of equity in application regarding specific employees who are represented by the Union, the Corporation agrees to meet on such cases in order to review the facts.

Very truly yours,

~~Ralph E. Handley~~
~~Executive Director~~
~~Industrial Relations~~
Bernard J. Quick
Director Labor Relations

Doc. No. 64

TUITION REFUND PROGRAM

December 8, 1999
Date

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, OH 45417

Dear Mr. Bingham:

Delphi ~~Automotive Systems Corporation~~ offers and administers a Tuition Refund Program under which active and laid off employees will, under such terms and conditions as the Corporation may from time to time establish, receive a tuition refund ~~not to exceed \$1,535 for the calendar year (\$2,535 for the calendar year for approved courses taken at an accredited college)~~ upon completion of an approved job-related course at an approved educational or training institution during non-working hours, ~~while on the active role of the Company.~~ Any refund made to an eligible employee will relate to the calendar year of completion of the approved course or courses.

The following programs are considered job related and will be approved when the needs cannot be met within the Corporation:

(a) Courses which will improve the employee's skill on his present job. This includes courses designed to update employees in the technology of their trade or occupation.

(b) Courses which relate to the next job in the logical development of an employee's career.

DATE INITIALED: _____

INITIALED BY PARTIES: _____

(c) Courses which will prepare an employee for openings that are expected to occur in the future and for which a sufficient number of qualified employees are not available.

(d) Courses taken to complete the requirement for a grammar school certificate or high school diploma.

(e) Any literacy course or courses in fundamental reading and mathematics. These include courses usually designed to teach sixth grade competency in reading, writing and numerical skills.

(f) Any required or pertinent elective courses taken in a degree-seeking program in a field related to the employee's job or appropriate to his/her career in Delphi Automotive Systems Corporation.

Additionally, the spouse or dependent children of a deceased active employee will be entitled to utilize the remaining balance of the employee's annual Tuition Refund eligibility (excluding any advance payment) for college or educational pursuits during a period of one-year equal to the length of the present Agreement following the date of the employee's death. Furthermore, the spouse of a deceased active employee may receive a one-time payment, up to a maximum of \$300 of the remaining balance, to be used for jointly approved financial counseling.

The benefit is not to exceed the maximum annual benefit allowed each year following the employee's date of death.

The maximum total assistance per qualified active employee per calendar year is \$2,775, of which \$100.00 may be used for the purchase of books, for courses leading to a formal degree and \$1,635 for job-related, high school equivalency and literacy courses.

Tuition Refund Plan shall apply to laid-off employees. The participant must be a USWA represented Delphi Corporation U.S. employee on indefinite layoff, who has recall or rehire rights under the terms of the current Delphi-USWA Main Agreement, and who had at least one year seniority as of the last day worked prior to layoff.

Suitable courses are those required for adult basic education, high school completion or high school equivalency certification, university, college, business, trade or vocational school courses or adult education classes.

The Plan will provide for tuition and compulsory fees to be paid directly to the schools providing the course in which the applicants are enrolled. There shall be no duplication of tuition fees already covered by other state or federal education assistance plans or programs. Maximum eligibility under this Plan is \$5,065 of tuition assistance while on indefinite layoff. Eligibility is established by seniority as of last day worked prior to layoff as follows:

SENIORITY AS OF DATE OF LAYOFF

- 1 to 3 years \$3,540
- 3 to 4 years \$4,300
- 4 or more years \$5,065

The above specified amounts shall constitute an account upon which the worker may draw so long as the individual retains recall or rehire rights while on indefinite layoff. Certain changes in employment status will affect eligibility. If recall or rehire rights are lost under the terms of the Delphi-USWA Main Agreement, or full-time employment is accepted that would pay wages comparable to those of the former job at Delphi Corporation, or if similar training programs are provided by a new employer, eligibility will cease. Continued eligibility will depend upon satisfactory completion of courses in which the employee has enrolled and compliance with other provisions of the Plan. In no event shall total assistance to an employee exceed \$5,065 in any four calendar year period.

~~In addition to the above, an employee who is laid-off due to the closing of the plant, and, at the time of such layoff, had five (5) or more years of seniority, may utilize the Tuition Refund Program for the purpose of vocational training to qualify for any available or~~

~~potential employment opportunities. This expanded
tuition refund eligibility shall not exceed \$1,535/\$2,535
for courses taken at an accredited college and the
employee must apply for such refund within 24 months
from the effective date of layoff.~~

Very truly yours,

Ralph E. Handley
Executive Director
Industrial Relations

Doc. No. 64(A)

**RETIREE TUITION ASSISTANCE PLAN
DELPHI ~~AUTOMOTIVE~~
~~SYSTEMS~~CORPORATION**

December 8, 1999
Date

Mr. Dennis Bingham
President, Local 87
USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, OH 45417

Dear Mr. Bingham:

This will confirm the understanding reached during the present negotiations that a Retiree Tuition Assistance Plan (including personal enhancement courses approved by recognized accreditation agencies and those approved by government education or training programs) for retired USWA (Local 87) represented Delphi employees shall continue to be funded under the Tuition Assistance Program. Retirees would be eligible to take classes approved on-site at the plant or local union hall at the location from which they retired. The courses offered to retirees must be those that are available to the active workforce.

The program provides up to \$1,2501,500 per calendar year per retiree for the prepayment of tuition and compulsory fees for approved courses leading to credits or degrees only offered on-site by approved educational institutions or courses included in a special range of approved competency based courses, including non credit and non degree courses or activities.

The plan will be administered by the Local Joint Activities Committee. The Committee has the authority and discretion to interpret the terms of the pilot including, but not limited to, school and course approval, location of courses and program guidelines.

DATE INITIALED: _____

INITIALED BY PARTIES: _____

In addition, the grievance procedure set forth in the Delphi-USWA Agreement has no application to or jurisdiction over any matter related to this joint program.

Very truly yours,

Bernard J. Quick
Director Labor Relations

Doc. No. 64(B)

**USWA-DELPHI SCHOLARSHIP PROGRAM
FOR DEPENDENT CHILDREN
DELPHI AUTOMOTIVE-
SYSTEMSCORPORATION**

December 8, 1999
Date

Mr. Dennis Bingham
President
Local 87, USWA, AFL-CIO/CLC
21 Abbey Avenue
Dayton, OH 45417

Dear Mr. Bingham:

During these negotiations, the parties discussed the importance of continuing education for school-aged dependent children of USWA-represented employees. In this regard, the International Union and the Corporation have agreed to continue the USWA-Delphi Scholarship Program for Dependent Children.

The joint committee established by the Local Joint Activities Committee will continue to direct the delivery of the program based on the following parameters:

- **Eligibility:** Dependent children of active, retired, or deceased USWA-represented employees who are pursuing post-secondary education or training at an institution accredited by a governmental or nationally recognized agency are eligible to apply for continuing education support.
- **Amount of Support:** An annual voucher of up to a maximum of \$1,250, 1,500 will be distributed directly to the recipient's educational institution for tuition and/or compulsory fees.

DATE INITIALED: _____

INITIALED BY PARTIES: _____

- **Funding:** Funding for this program, including administrative costs, will be provided through Joint National Funds. Total annual funding and expenditures for this program will be determined by the Local Joint Activities Committee.
- **Administrative procedures:** The Program will be jointly administered by the National Joint Activities and Training Committee.
- **Payments under the USWA-Delphi Scholarship Program for Dependent Children** will be subject to applicable federal, state, and local income tax provisions.

The Grievance Procedure set forth in the current Delphi-USWA National Agreement has no application to, or jurisdiction over, any matter related to this program.

Very truly yours,

~~Ralph E. Handley~~
~~Executive Director~~
~~Industrial Relations~~
Bernard J. Quick
Director Labor Relations

NEW

(NOT TO BE PUBLISHED)

Delphi Corporation intends to continue to provide the voluntary benefit of Internet access through the service provider, America Online (AOL), to current Delphi employees under the existing Delphi / America Online agreement, as discussed in the Subcommittee.

In addition, Delphi Corporation intends to provide for Delphi hourly retirees a non-subsidized discount for Internet access through a service provider. The Corporation will negotiate the most favorable arrangement with the designated service provider to make available Dial Up Service (Narrow Band) at a discount of up to 50% per month of the current rate. Details regarding this program and the rules relative to registration will be communicated to retirees.

Furthermore, Delphi Corporation will explore opportunities to leverage technology and consumer providers to identify additional non-subsidized discounts that can be made available to current Delphi employees and Delphi retirees.

The following are potential non-subsidized providers that a Delphi employee or retiree may be able to use through a Delphi website: Dell Computers, Palm, HP Compaq Computers, Bose, American Airline Vacations, Barnes & Noble, KinderCare and Nextel.

With respect to other services or other possible non-subsidized discounts, it is understood and agreed that Delphi Corporation may at any time unilaterally modify, change or withdraw such service and/or discount, and that it shall have no obligation to bargain concerning its decision to do so. Nor shall the institution of such service and/or discount constitute any precedent in future negotiations between the parties with respect to employee benefits or other terms of conditions of employment.

DATE INITIALED:_____

INITIALED BY PARTIES:_____

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NEW

(NOT TO BE PUBLISHED)

EXCERPTS FROM THE MINUTES

During the course of these negotiations, the Union raised a concern regarding car vouchers for Delphi retirees. As a result of this concern, at the conclusion of national bargaining, the parties agree to explore the feasibility of providing car vouchers.

DATE INITIALED: _____

INITIALED BY PARTIES: _____

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Exhibit D

Delphi-IUE-CWA

STANDARD APPRENTICE PLAN

Pursuant to Agreement between
Delphi Corporation
and the
IUE-CWA,
the Industrial Division
of the Communications Workers of America,
AFL-CIO-CLC

**A CAREFULLY PLANNED
PROGRAM DESIGNED TO TRAIN INDIVIDUALS IN
THE SKILLS OF A GIVEN TRADE**

Revised 9/04

In addition, apprentices shall be required during the period of their apprenticeship to satisfactorily complete a program of related and supplemental classroom instruction of at least 576 hours during an apprentice training program. Such related training is required to enable the apprentices to become proficient in the technical knowledge and other aspects of their trades.

Credit for Previous Experience

The apprentice program provides that apprentices who have had previous experience comparable to requirements of incomplete portions of the shop and related training schedule may be given credit for such training toward completion of their apprenticeship upon submission of proper evidence of such training and provided the apprentices can demonstrate their progress. Credit is subject to approval by the chairpersons of the Delphi-IUE-CWA National Apprenticeship Committee.

Training Facilities

In many plants, the apprentices' shop training is given on the job where they will have the opportunity to work with the machinery and equipment pertinent to their trade in order to gain the knowledge and experience required to be successful in their chosen field. Experienced journeypersons are available and may be assigned to work with the apprentice on many of their training assignments.

At some locations the apprentices receive all or part of their shop training at an in-plant apprentice school under the guidance of qualified instructors. These schools are equipped to the extent practicable with the same type of machinery and equipment that the apprentices will be required to work with when they become journeypersons in the shop.

Whether the training is given in a school or in the shop, the program is coordinated by experienced personnel who have the responsibility of guiding the apprentice's training assignments systematically through all phases of the prescribed shop and related training schedule for the trade.

Payment of Allowance for Tools, Books, Supplies and Furnished Tool Box

As soon as practicable after being placed in the apprentice program, the apprentices will be furnished a tool box, which will become their property upon graduation. An allowance of \$1,200.00 has been established. Upon receipt of a tool box and also upon completion of the first period of 916 hours of work, the apprentice will be paid an allowance of \$200.00 for the purchase of tools, books and supplies. Upon satisfactory completion of each 916 hours of the second, third, fourth, fifth, sixth and seventh periods of work in the apprentice program, the apprentice will be paid \$100.00 for the purchase of tools, books and supplies. Management will assist the apprentice in obtaining tools. Upon completion of all shop and related training requirements (including credit granted for prior credited experience) and graduation, the apprentice will receive the balance, if any, of the allowance of \$1,200.00 less any such payments previously received. This method of payment should not interfere with any mutual satisfactory local plant practices.

Related Training

During the training period, it will be necessary for the apprentices to become proficient in mathematics, science, drawing and technical information related to their job by satisfactorily completing a minimum of 576 hours of related training. Time spent by the apprentice in connection with related training shall be paid for at the apprentice's straight-time hourly rate. Delphi Corporation will pay on behalf of the apprentice, registration fees and/or tuition required in connection with related training under the apprentice program.

Shop Training Records and Progress Reports

An apprentice's progress through the various phases of the shop training schedule is carefully followed and recorded on the "Apprentice Permanent Record." (See Page 22.)

In addition, the apprentice's performance is appraised periodically by his or her immediate supervisor or instructor. This appraisal covers quantity and quality of work, ability to learn, relations with others, attendance, punctuality and overall performance. (See "Apprentice Progress Report" Pages 23 and 24.) These progress reports are reviewed with the apprentice and retained as a permanent record. It is mandatory that apprentices maintain a satisfactory record with regard to their performance in the shop.

Shop Training Schedules

Shop training schedules (See Appendix C for typical schedules) have been designed to give apprentices training in all essential phases of the particular trade of their choice, and will be adhered to unless local conditions and the progress of the apprentices require deviation. (Such deviations must be approved by the National Parties)

Each standard schedule indicates the approximate number of hours to be completed on each assignment.

"Optional" hours are provided in each shop training schedule to be used as follows:

1. To give additional training over and above the hours designated in the shop training schedule in those phases which would be most beneficial to the apprentices in acquiring their journeyman status.
2. To give training in related phases of the trade not specifically designated in the shop training schedule but normally required of journeymen (such as Planned/Predictive Maintenance Technologies).

In order that apprentices will be thoroughly familiar with good safety practices, they are completely familiarized with all matters pertaining to the safe operation of their jobs.

Safety Training

The apprentice program provides that specific consideration is given to the subject of safety. In conjunction with their related and/or shop training, based on local conditions, apprentices, during the period of their apprenticeship, receive specific safety training as provided in Appendix B.

Delphi-IUE-CWA Skilled Trades and Apprentice Committee

A Delphi-IUE-CWA Skilled Trades and Apprentice Committee composed of an equal number of representatives of Delphi Corporation and the IUE-CWA reviews and revises shop and related training schedules when necessary to maintain a program which is responsive to training needs and the availability of courses. This Committee works closely with Local Apprentice Committees to resolve apprentice training matters that arise in the plant training programs. The duties of these Committees are covered in detail in the Delphi-IUE-CWA National Agreement.

Apprentice Wage Rates

Effective with the effective date of this Agreement, the straight time hourly wage rates (exclusive of Cost-of-Living Allowance and shift premium) for apprentices in the bargaining unit shall be the rates set forth in the following Apprentice Rate Schedule.

Apprentice Training Period	Hourly Rate*	
1st 916 Hours	\$25.03	
2nd 916 Hours	\$25.19	
3rd 916 Hours	\$25.19	plus 9% of "Rate Difference"
4th 916 Hours	\$25.19	plus 20% of "Rate Difference"
5th 916 Hours	\$25.19	plus 33% of "Rate Difference"
6th 916 Hours	\$25.19	plus 48% of "Rate Difference"
7th 916 Hours	\$25.19	plus 66% of "Rate Difference"
8th 916 Hours	\$25.19	plus 86% of "Rate Difference"

*The "Rate Difference" shall be determined by subtracting the sum of \$.20 and the Hourly Rate for the 2nd 916 Hours from the maximum rate established in the Local Wage Agreement for the journeyperson classification for which the apprentice is in training. Resultant rates shall be rounded to the nearest 1 cent.

Notwithstanding the foregoing provisions, a seniority employee transferred to apprentice training, including seniority Delphi employees transferred from other Delphi-IUE-CWA locations, shall be transferred at their current rate or the rate of \$26.84 per hour, whichever is lower, provided however, that in no event will the 1st Period Rate be lower than a rate of ten cents (\$0.10) over the 1st Period Hourly Rate set above. Upon their completion of that 1st Period, they shall be paid a rate of \$25.58 or their first period rate, whichever is higher, and if retained, shall be paid in accordance with the Apprentice Rate Schedule. The \$26.84 and \$25.58 rates shown in the above paragraph will become \$27.38 and \$26.09 on September 19, 2005; \$28.20 and \$26.87 on September 18, 2006.

Upon graduation, an apprentice will receive an increase, if retained, to the midpoint of the rate range for the skilled classification to which they are assigned.

The above Apprentice Rate Schedule automatically provides for all increases in straight time hourly wage rates which are effective on the date of this Agreement. The Wage increases provided for in Paragraph 65(a) and 65(b) shall be added to the fixed portion of the Hourly Rate in the Apprentice Rate Schedule and to the above stated \$26.84 and \$25.58 rates and the straight time hourly wage rates for individual apprentices shall be determined only in accordance with the provisions of this Schedule.

Note: Local Bargaining Agreements may vary the hourly rate at each location. Contact the locations' Apprentice Committee for their Apprentice Wage Rate Schedule.

Status After Graduation

The apprentice, having completed all requirements for graduation, attains the status of "Journeyperson." A certificate is given to the apprentice upon satisfactory completion of the program. Upon graduation, the seniority of apprentices shall start from the date of their Apprentice Training Agreement or their plant seniority date established pursuant to Paragraph 29 of the Delphi-IUE-CWA National Agreement, whichever is later.